

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§ CASE NO. 23-90086-11
	§ HOUSTON, TEXAS
TEHUM CARE SERVICES, INC.,	§ FRIDAY,
	§ MAY 12, 2023
DEBTOR.	§ 2:00 A.M. TO 3:29 P.M.

CONTINUED SECTION 341 MEETING OF CREDITORS

APPEARANCES: SEE NEXT PAGE

TRANSCRIPTION SERVICE BY:

JUDICIAL TRANSCRIBERS OF TEXAS, LLC
935 Eldridge Road, #144
Sugar Land, TX 77478
281-277-5325
www.judicialtranscribers.com

Proceedings recorded by electronic sound recording,
transcript produced by transcription service.

APPEARANCES:

FOR THE US TRUSTEE:

DEPARTMENT OF JUSTICE
OFFICE OF THE US TRUSTEE
Andrew Jimenez, Esq.
606 N. Carancahua Street
Suite 1107
Corpus Christi, TX 78401
361-888-3261

FOR DEBTOR TEHUM CARE
SERVICES, INC.:

GRAY REED McGRAW, LLP
Lydia Webb, Esq.
Aaron Kaufman, Esq.
1601 Elm Street, Suite 4600
Dallas, TX 75201
469-320-6111

FOR THE OFFICIAL UNSECURED
CREDITORS COMMITTEE:

STINSON, LLP
Nicholas Zluticky, Esq.
1201 Walnut Street
Suite 2900
Kansas City, MO 64106
816-691-3278

FOR TRACEY GRISSOM:

FRANK OZMENT ATTORNEY AT LAW
LLC
Valrey W. Early, III, Esq.
217 Country Club Park
Box 501
Birmingham, AL 35213
205-586-5127

FOR ADREE EDMO:

M.E. HEARD, ATTORNEY, PLLC
Mary Elizabeth Heard, Esq.
100 NE Loop 210
Suite 605
San Antonio, TX 78216
210-572-4925

RIFKIN LAW OFFICE, PC
Lori Rifkin, Esq.
3630 High Street
#18917
Oakland, CA 94619
510-414-4132

APPEARANCES (CONTINUED) :

FOR JEFFREY WALTER BOMBER,
ET AL:

HACKNEY ODLUM & DARDAS
Connor McLaughlin, Esq.
10850 E. Traverse Highway
Suite 4440
Traverse City, MI 49684
231-642-5026

FOR M2LOANCO:

Christian Gluck, Esq.

FOR KOHCHISE JACKSON AND
WILLIAM KELLY:

CROSS LAW, PLLC
Ian Cross, Esq.
402 W. Liberty Street
Ann Arbor, MI 48103
734-994-9590

1 HOUSTON, TEXAS; FRIDAY, MAY 12, 2023; 2:00 P.M.

2 MR. JIMENEZ: Good afternoon, everyone. Today is
3 May 12, 2023, it is 2:00 p.m. Central Standard Time. We are
4 here for the continued Section 341 Meeting of Creditors in the
5 case of Tehum Care Services, Inc., Case No. 23-90086 pending
6 before the United States Bankruptcy Court for the Southern
7 District of Texas.

8 My name is Andrew Jimenez. I am an attorney for the
9 United States Department of Justice and I represent the United
10 States Trustee. I will be presiding -- I will be the
11 presiding officer at this meeting in this case.

12 I know there are several creditors on the phone and
13 this is a meeting of creditors and I will let creditors ask
14 questions of Tehum's representative. Just wait until I call
15 you to ask your questions.

16 As a reminder, the 341 meeting is limited to ask
17 questions about the petition, the schedules, statement of
18 financial affairs or the general financial condition of the
19 Debtor. If you need to ask questions beyond and cover other
20 subject matters, the bankruptcy laws provide other avenues
21 such as a 2004 Examination and you need to -- should you need
22 additional discovery of the Debtor or others that is beyond
23 the scope of Section 341 meeting.

24 For the Record this meeting is being digitally
25 recorded and the United States Trustee's recording is the only

1 authorized recording. Nobody else should be recording this
2 meeting.

3 Will counsel for the Debtor please identify himself
4 or herself, please?

5 MS. WEBB: Good afternoon. This is Lydia Webb of
6 Gray Reed, counsel for the Debtor. With me is my partner,
7 Aaron Kauffman.

8 MR. JIMENEZ: Good afternoon. And will the Debtor's
9 corporate representative identify for the Record, please?

10 MS. WEBB: We have 2 representatives of the Debtor
11 today, so Russell Perry, the CRO of Ankura, and Mr. Isaac
12 Lefkowitz the Debtor's sole director.

13 MR. JIMENEZ: Okay. Mr. Perry, could you please
14 identify for the Record, state your full name.

15 UNIDENTIFIED SPEAKER: Yes, [indiscernible].

16 MR. JIMENEZ: So --

17 MR. PERRY: Hi, this is Russell Perry.

18 MR. JIMENEZ: Okay. Before we --

19 MR. PERRY: Yes, Your Honor. Do I need to spell
20 Perry?

21 MR. JIMENEZ: Okay. Before we continue I will ask
22 everyone on the call please mute your lines unless you are
23 speaking because we're picking up some background noise.

24 So, Mr. Perry, I think I was able to hear you, but I
25 think there was somebody else speaking at the same time. So

1 could you please state your full name for the Record, please?

2 MR. PERRY: Sure. This is Russell Perry, CRO of the
3 Debtor.

4 MR. JIMENEZ: Thank you.

5 Mr. Lefkowitz, are you on the call?

6 MR. LEFKOWITZ: Yes, sir.

7 MR. JIMENEZ: Could you please state your full name
8 for the Record?

9 MR. LEFKOWITZ: Isaac Lefkowitz.

10 MR. JIMENEZ: Okay. So I'm going to swear in the
11 Debtor representatives starting with Mr. Perry. Would you
12 please raise your right hand. And since this meeting is being
13 conducted telephonically, can you verbally confirm that your
14 right hand is up?

15 MR. PERRY: Is it.

16 MR. JIMENEZ: Do you swear or affirm that the
17 testimony that you're about to give is the truth, the whole
18 truth and nothing but the truth?

19 MR. PERRY: I do.

20 MR. JIMENEZ: And now, Mr. Lefkowitz, could you
21 please raise your hand, your right hand, and verbally confirm
22 when your right hand is up.

23 MR. LEFKOWITZ: Is is.

24 MR. JIMENEZ: Do you swear or affirm that the
25 testimony you are about to give is the truth, the whole truth

1 and nothing but the truth?

2 MR. LEFKOWITZ: I affirm.

3 MR. JIMENEZ: So normally in a -- I would verify the
4 identifications of the Debtor's representative, but since
5 we're conducting this meeting telephonically I won't be able
6 to do that. So, Ms. Webb, can you, as an officer of the
7 Court, confirm that the individuals on the phone are indeed
8 who they claim to be?

9 MS. WEBB: I can confirm.

10 MR. JIMENEZ: So during this call I will be using
11 the term the Debtor, and when I say the Debtor I am referring
12 to Tehum Care Services, Inc., formerly doing business as
13 Corizon Health Services, Inc. Does that make sense?

14 UNIDENTIFIED SPEAKER: [Indiscernible].

15 MR. JIMENEZ: Okay. So, Mr. Perry, you as Chief
16 Restructuring -- the restructuring officer you signed the
17 voluntary petition of the Debtor. Is that correct?

18 MR. PERRY: That's correct.

19 MR. JIMENEZ: Okay. You also signed -- the
20 voluntary petition was filed on February 13, 2023 and then an
21 amended petition was filed on February 15, 2023. Did you sign
22 the amended petition?

23 MR. PERRY: I did, uh-huh.

24 MR. JIMENEZ: And so now, Mr. Lefkowitz, did you
25 have an opportunity to -- and before I ask my question, I'm

1 going to make reference to the schedules and the statement of
2 financial affairs. The schedule was filed at Docket Entry
3 Number 481 and the statement of financial affairs was filed at
4 Docket Entry 482. Mr. Lefkowitz, do you have access to those
5 documents? Do you have them nearby? If I ask you specific
6 questions about the schedules can you -- are you able to look
7 at a document?

8 MR. LEFKOWITZ: Yes, I can.

9 MR. JIMENEZ: Okay. So, Mr. Lefkowitz, did you have
10 an opportunity to read the global notes that were attached to
11 the bankruptcy documents?

12 MR. LEFKOWITZ: Yes, I did.

13 MR. JIMENEZ: Did you write the global notes?

14 MR. LEFKOWITZ: It was authored by the attorneys,
15 but I reviewed it.

16 MR. JIMENEZ: Okay. These notes are helpful in
17 explaining, but from the United States's perspective -- the
18 United States Trustee's perspective, they [indiscernible]
19 schedules themselves. So do you as the corporate
20 representative understand you are still held accountable for
21 the information that are on the schedules, do you understand?

22 MR. LEFKOWITZ: Correct.

23 MR. JIMENEZ: In larger cases representatives of
24 debtors often relied on other professionals for information
25 that appears on the schedules and statement of financial

1 affairs. You understand that it is your responsibility as the
2 person that signed these documents to verify the information
3 is true and correct to the best of your knowledge and belief?

4 MR. LEFKOWITZ: Yes, I do.

5 MR. JIMENEZ: My office also understands that in
6 larger and complex cases small errors and omissions do occur,
7 it happens. But do you understand that since you signed the
8 schedules it is your responsibility to make changes or
9 amendments to the schedules if you believe that the responses
10 are incorrect.

11 MR. LEFKOWITZ: Correct.

12 MR. JIMENEZ: So it is my understanding, and correct
13 me if I'm wrong, that you have a team of professionals that
14 assisted you with the preparation fo the schedules and
15 statement of financial affairs in this case?

16 MR. LEFKOWITZ: That's right.

17 MR. JIMENEZ: Can you describe generally the process
18 that occurred in preparing these documents?

19 MR. LEFKOWITZ: Meetings with the team of Ankura
20 which is part of the CRO, and then teams of our legal counsel
21 representative.

22 MR. JIMENEZ: And beyond meeting with the
23 professionals what else did you do to prepare these documents?

24 MR. PERRY: Yeah, it's Russell Perry. We also met
25 with contracted third party Sigma Contracting, Sigma Risk

1 Management I think as we've discussed in the past and their
2 role, they were instrumental in providing various documents
3 and records. And obviously from the Ankura perspective we met
4 with Isaac and had obviously in our possession a number of
5 records and accounting entries and the like that allowed us to
6 prepare substantially all of the schedules that you see here.

7 MR. JIMENEZ: So going back to Mr. Lefkowitz, did
8 you look over the information on the petition and schedules
9 and statement of financial affairs in this case before they
10 were filed with the Bankruptcy Court?

11 MR. LEFKOWITZ: Yes, I did.

12 MR. JIMENEZ: Mr. Perry, did you go over the
13 information in the bankruptcy petition before it was filed
14 with the court?

15 MR. PERRY: I did.

16 MR. JIMENEZ: Is the information in the Debtor's --
17 and for this question I want an answer from both of you, is
18 the information in the Debtor's petition, schedules and
19 statement of financial affairs true and correct to the best of
20 your knowledge and belief?

21 MR. PERRY: They are.

22 MR. LEFKOWITZ: Yes, sir.

23 MS. WEBB: Excuse me, this is Lydia Webb, counsel
24 for the Debtor. I do want to note that in reviewing the
25 information in preparation for this 341 meeting, we did

1 identify 2 areas that will need to be amended in the
2 schedules. We intend to do that in short order. But I do
3 want to note that for the Record here today.

4 One is references to a funding limit in Schedules A
5 and B, Item 77. There were references to the global note but
6 we didn't actually get it in the schedule itself. It was a
7 bust on our part and we will be updating the schedules
8 accordingly. The other is with respect to the Debtor's bank
9 accounts, that's SOFA 18 in Schedule A Item 3. As you
10 continue to collect more information on the Debtor we have
11 occasion to update that bank account information, and we
12 intend to do that in short order.

13 MR. JIMENEZ: Thank you, Ms. Webb.

14 Mr. Lefkowitz, do you agree with what was just
15 stated by your attorney?

16 MR. LEFKOWITZ: Yes, sir.

17 MR. JIMENEZ: Are you aware of any other amendments
18 that need to be made to the documents?

19 MR. LEFKOWITZ: I'm sure if there would be any
20 corrections and amendments, we'll make them in due course.

21 MR. KAUFMAN: Let's not -- sorry, this is Aaron
22 Kaufman, I'll say not at this time.

23 MR. JIMENEZ: Mr. Lefkowitz, do you agree with the
24 answer that was just suggested by your attorney?

25 MR. LEFKOWITZ: Yes, sir.

1 MR. JIMENEZ: And you adopt that answer as your own.

2 MR. LEFKOWITZ: Correct.

3 MR. JIMENEZ: Okay. So can you describe generally
4 for the Record what does the Debtor do and how does it
5 generate revenue?

6 MS. WEBB: This is Lydia Webb, counsel for the
7 Debtor. I think as we've clearly stated, the Debtor
8 effectuated a divisional merger of --

9 MR. JIMENEZ: Ms. Webb, Ms. Webb, I think I need --
10 I'm going to ask you to please let the witness ask the
11 question.

12 MR. LEFKOWITZ: Okay. Historically the Debtor was
13 in the health care correctional business providing
14 correctional health care to incarcerated inmates throughout
15 several states throughout the country. The Debtor went to a
16 2-step divisional merger some time in May of '22 where
17 operations were divided where most of the ongoing operational
18 contracts were moved over to another company and the Debtor
19 kept some of its assets and liabilities, and its working
20 through its system of collecting, you know, whatever is owed
21 to the Debtor and dealing with that the Debtor owes to various
22 creditors.

23 MR. JIMENEZ: You mentioned that the operational
24 contracts were moved to another company. What is the name of
25 this company?

1 MR. LEFKOWITZ: YesCare Corporation.

2 MR. JIMENEZ: What is your relationship to YesCare?

3 MR. LEFKOWITZ: I'm a director of YesCare as well.

4 MR. JIMENEZ: So you mentioned that the divisional
5 merger took place in May of 2022. So my question is, between
6 May of 2022 and the petition date, which is February 13, 2023,
7 what Tehum do during that period?

8 MR. LEFKOWITZ: Basically monetizing its assets and
9 paying creditors and liabilities of the Debtor.

10 MR. JIMENEZ: Okay. Can you explain what you mean
11 when you monetizing its assets?

12 MR. LEFKOWITZ: There are still outside parties that
13 owe money to the Debtor, various contracts, various insurance
14 carriers and the Debtor has creditors such as vendors and
15 other liabilities that is [indiscernible] in order to satisfy
16 those liabilities.

17 MR. JIMENEZ: Who was operating Tehum prior to the
18 bankruptcy filing?

19 MR. KAUFMAN: This is Aaron Kaufman, what do you
20 mean by operating the Debtor?

21 MR. JIMENEZ: Okay. So right now you have a Chief
22 Restructuring Officer, who was running the company Tehum prior
23 to the bankruptcy?

24 MR. KAUFMAN: Do you mean who were the officers of
25 the company?

1 MR. JIMENEZ: Who -- no, that's -- let's go back.
2 Who was running the --

3 MR. KAUFMAN: Different question?

4 MR. JIMENEZ: -- who was running the day-to-day
5 operations of Tehum prior to the filing of the bankruptcy?

6 MR. LEFKOWITZ: I did.

7 MR. JIMENEZ: Say that again?

8 MR. LEFKOWITZ: I did.

9 MR. JIMENEZ: That's you, Mr. Lefkowitz?

10 MR. LEFKOWITZ: Correct.

11 MR. JIMENEZ: When was Ankura retained to act as the
12 Chief Restructuring Officer?

13 MR. LEFKOWITZ: At the time of the bankruptcy.

14 MR. JIMENEZ: Ankura was not retained prior to the
15 bankruptcy?

16 MR. LEFKOWITZ: It was, Ankura did services to the
17 Debtor in 2021.

18 MR. JIMENEZ: Who made the decision to retain Ankura
19 and Gray Reed?

20 MR. LEFKOWITZ: I did.

21 MR. JIMENEZ: I am assuming that there are retainers
22 for Ankura and Gray Reed. Who funded the payment of the
23 retainers?

24 MR. KAUFMAN: This is Aaron. We disclosed this in
25 our -- each of our employment applications. Neither of us has

1 a retainer.

2 MR. JIMENEZ: Who funded the service provided by
3 Ankura and Gray Reed prior to the bankruptcy?

4 MR. KAUFMAN: Again, Aaron Kaufman. This was all
5 disclosed in our employment applications, we didn't provide
6 any services, other than the filing of the petition.

7 MR. JIMENEZ: Mr. Lefkowitz, you just testified that
8 you had -- Ankura was providing services in 2021. Is that
9 correct?

10 MR. LEFKOWITZ: Correct.

11 MR. JIMENEZ: Okay. So who funded the services of
12 Ankura?

13 MR. LEFKOWITZ: [Indiscernible].

14 MR. JIMENEZ: And from the time after the divisional
15 merger until the bankruptcy case was filed who funded the
16 services of Ankura?

17 MR. LEFKOWITZ: There wasn't any services in that
18 period.

19 MR. JIMENEZ: How did the Debtor fund itself for the
20 period after the divisional merger until the filing of the
21 bankruptcy?

22 MR. LEFKOWITZ: Through a funding agreement from a
23 lender.

24 MR. JIMENEZ: And who is this lender?

25 MR. LEFKOWITZ: M2 LoanCo.

1 MR. JIMENEZ: Can you generally describe what you
2 believe are the causes for the bankruptcy filing?

3 MR. LEFKOWITZ: It was some of the creditors moved
4 to install a state trustee into the Debtor, you know, prior to
5 exhausting litigation, and the Debtor felt it would be
6 devastating to the existing assets of the Debtor if a trustee
7 comes in, and we made a decision to file for Chapter 11.

8 MR. JIMENEZ: Did you say that creditors moved to
9 install a state trustee. When you say state trustee are you
10 referring to a receiver?

11 MR. LEFKOWITZ: Correct.

12 MR. JIMENEZ: Okay. So was there an appointment of
13 a receiving in one of the state court litigations that you
14 were aware of?

15 MR. LEFKOWITZ: No.

16 MR. JIMENEZ: Do you remember in which state was
17 this receiver going to be appointed?

18 MR. LEFKOWITZ: Missouri.

19 MR. JIMENEZ: So now I'm going to make specific
20 reference to Docket 481. On Page 2 of Docket -- I'm talking
21 Page 2 of 71, there is a statement in the global notes that
22 asset information is reflected as of the close of business on
23 January 31, 2023. Do you see that?

24 MR. LEFKOWITZ: Correct.

25 MR. JIMENEZ: The Debtor did not provide any

1 information from January 31 to February 13. Is that correct?

2 MR. PERRY: This is Russell Perry. To the extent
3 that liabilities could be identified and measured as of
4 February 13, that was certainly -- I disclosed and scheduled
5 the same point to the extent there were various payments that
6 were made between those time periods, to the extent there were
7 other disclosable items that occurred on the 13th or that were
8 in existence on the 13th, the Debtor certainly did schedule
9 those.

10 This reference really has to do with assets or
11 liabilities that might have been referenced from the Debtor's
12 financial statements, and so the reference is really in
13 regards to the fact that the Debtor's financial statements
14 were prepared at month end and a stub period financial
15 statement was not otherwise prepared. So only a handful of
16 references were needed to bring forth the liability to the
17 13th. For the most part substantially all of these schedules
18 and statements were unimpacted by that time period for those
19 roughly 13 days.

20 MR. JIMENEZ: Mr. Lefkowitz, do you have something
21 different to add to my question?

22 MR. LEFKOWITZ: No, I agree with Mr. Perry.

23 MR. JIMENEZ: So, Mr. Lefkowitz, to your knowledge
24 were there any activities between January 31 to February 13?

25 MR. LEFKOWITZ: There could have been some minor,

1 you know, check clearing and payments made but nothing
2 significant.

3 MR. JIMENEZ: Did the Debtor transfer any funds or
4 expend any funds between January 31 and February 13?

5 MR. LEFKOWITZ: No.

6 MR. JIMENEZ: Did the Debtor receive any funds from
7 January 31 to February 13?

8 MR. LEFKOWITZ: I'm not certain, and even the worry
9 was minute, you know, ACHs that came in.

10 MR. JIMENEZ: Well, Mr. Lefkowitz, even if it's a
11 small amount, that information must be disclosed. So to the
12 extent that it hasn't been done I'm going to ask you to go
13 over the records and make any necessary amendments to make
14 sure that any expenditure of funds, and funds received between
15 that period are accurately disclosed in the schedules.

16 MR. KAUFMAN: This is Aaron Kaufman, and Isaac --

17 MR. JIMENEZ: This is -- I'm sorry [indiscernible].

18 MR. KAUFMAN: -- I'm going to let Isaac confirm,
19 but we've looked at the two bank accounts that we just
20 received the bank statements recently and they were showing a
21 zero balance during this period. But we didn't have those
22 when we filed the schedules. So I'll let Mr. Lefkowitz
23 describe if he knows anything else.

24 MR. LEFKOWITZ: I agree with Mr. Kaufman, I just
25 responded because I didn't know of anything significant so I

1 left it as an open [indiscernible] but since Mr. Kaufman
2 confirmed that the accounts were zeroed out, so January 13 is
3 the -- February 13 is the zero date.

4 MR. JIMENEZ: Okay. So I just want to remind you
5 going forward my questions are directed to you, Mr. Lefkowitz.
6 You're the person under oath that needs to answer the
7 questions, it's not Mr. Kaufman. So I'm going to -- all the
8 questions that I ask you I'm going to ask you to answer
9 directly.

10 MR. LEFKOWITZ: Okay.

11 MR. JIMENEZ: Schedule -- on Schedule A/B the Debtor
12 did not list any accounts. So I know that your attorney
13 mentioned, and I think that's why we went over that. There's
14 going to be amendments to include bank accounts. Did I get
15 that correct?

16 MR. LEFKOWITZ: Yes.

17 MR. JIMENEZ: Okay. So it was our understanding
18 that there was an account at Signature Bank. Is that correct?

19 MR. LEFKOWITZ: Correct.

20 MR. JIMENEZ: Why isn't the Signature Bank account
21 listed here?

22 MR. KAUFMAN: It is listed in the SOFA.

23 MR. JIMENEZ: Mr. Kaufman, hold on a second. This
24 is not [indiscernible] speaking, this is Andrew Jimenez. And
25 I'm going to ask you to --

1 MR. KAUFMAN: Oh, sorry.

2 MR. JIMENEZ: -- please let Mr. Lefkowitz answer
3 the questions.

4 MR. LEFKOWITZ: Okay. So we thought the account was
5 closed, actually we thought the entire bank was closed, that
6 Signature Bank went under, but we later realized that the
7 account is still open through the FDIC but it has a zero
8 balance.

9 MR. JIMENEZ: And so --

10 MR. KAUFMAN: So, Mr. Jimenez, if you look in the
11 SOFAs you'll see them as closed accounts. That's what we
12 tendered.

13 MR. JIMENEZ: All right. So that's one thing in the
14 SOFA --

15 MR. KAUFMAN: And I'm not trying to answer -- I'm
16 not trying to answer for him, I'm trying to help you out to
17 clarify this.

18 MR. JIMENEZ: And I'm not talking about the SOFA,
19 I'm talking about Schedule A/B, there were no accounts listed
20 on Schedule A/B. Mr. Lefkowitz --

21 MR. LEFKOWITZ: Correct.

22 MR. JIMENEZ: -- does the Debtor have access to the
23 Signature Bank account?

24 MR. LEFKOWITZ: Yes.

25 MR. JIMENEZ: Do you know what is the balance in the

1 Signature Bank account?

2 MR. LEFKOWITZ: Zero.

3 MR. JIMENEZ: Why hasn't this account been closed?

4 MR. LEFKOWITZ: We made an election that we don't
5 need the account.

6 MR. JIMENEZ: Was the funding agreement deposited
7 into the Signature account?

8 MR. LEFKOWITZ: No.

9 MR. JIMENEZ: Did the Debtor offer a new debtor-in-
10 possession account?

11 MR. LEFKOWITZ: Yes.

12 MR. JIMENEZ: Where at?

13 MR. LEFKOWITZ: Bank of America.

14 MR. JIMENEZ: Could you please explain what is the
15 Cares Act Employee Retention Credit?

16 MR. LEFKOWITZ: That is a federal program of
17 companies' employment that were harmed during the COVID
18 crisis.

19 MR. JIMENEZ: And how does it work?

20 MR. LEFKOWITZ: I mean there's a lot of intricate
21 details to it but in general the -- based on the employee
22 count and overtime hours and losses that a company suffered
23 during COVID gets credited back as a Cares Act credit from the
24 United States government.

25 MR. JIMENEZ: And where is the Debtor in getting

1 these credits?

2 MR. LEFKOWITZ: I beg your pardon?

3 MR. JIMENEZ: Where is the Debtor in getting this
4 credit?

5 MR. LEFKOWITZ: Where they are in the process?

6 MR. JIMENEZ: Yeah.

7 MR. PERRY: Yeah, it's Mr. Perry, it's Russell
8 Perry, can I answer this question, Mr. Jimenez?

9 MR. JIMENEZ: Sure, go ahead.

10 MR. PERRY: Okay. To the post-petition activities
11 that my role as CRO is mainly dealing with, the Debtor has
12 completed eligibility documentation and calculations as it
13 relates to 1 of the 2 fiscal years that pertain to the ERC
14 program. The Debtor retained a CPA firm to prepare what's
15 called 941X tax forms. Those forms were, in fact, completed,
16 again, for 1 of the 2 fiscal years, and those forms were sent
17 to the IRS within the last week.

18 The other fiscal year that the ERC program pertains
19 to is in process, an outside consulting firm is working
20 through the eligibility criteria and the calculations, and
21 once those calculations are complete we'll be able to provide
22 those to the CPA who will complete forms and will file with
23 the IRS much like we did for the initial fiscal year.

24 MR. JIMENEZ: Is the Debtor entitled to 9 million
25 total or is it 15 million total?

1 MR. LEFKOWITZ: So it's broken up, again, to 2
2 separate fiscal years, the first fiscal year that had, in
3 fact, been submitted to the IRS on its face is worth 9
4 million. Again, that's subject to the IRS receiving the
5 application, or at least the forms, and the submitting those
6 funds to the Debtor in the Debtor's bank account. So that is,
7 you know, a number that has been identified and applied for.

8 The second tranche that you asked for, which in the
9 schedule should be fiscal year 2020, that's the amount that's
10 in process so that's an estimate. We anticipate the number to
11 be in line with the number that we provided on the schedules,
12 but, again, the work is not complete. I think we're --

13 MR. JIMENEZ: Is that the --

14 MR. LEFKOWITZ: -- roughly 7 to 10 days from
15 receiving information.

16 MR. JIMENEZ: Is that the \$6 million.

17 MR. LEFKOWITZ: It is.

18 MR. JIMENEZ: When does the Debtor expect to receive
19 those funds?

20 MR. LEFKOWITZ: The first 9 million could be easily
21 9 to 10 months out, unless there is a party who chooses to
22 provide the Debtor with an advance or other, you know, form of
23 monetization of those credits. There is a market for that
24 type of monetization. We're in conversations with a handful
25 of parties. It takes time to perform that diligence. But if

1 no parties step up and agree to monetize those credits, the
2 IRS process alone could be, like I said, as long as 9 or 10
3 months, but we are in active discussions with potential
4 parties to like I said monetize those credits sooner rather
5 than later.

6 MR. JIMENEZ: And what about the other 6 million for
7 2020?

8 MR. LEFKOWITZ: Yeah, well, we won't be able to
9 monetize those or really speak to folks about those until the
10 credits are filed, the forms are filed with the IRS that
11 effectively provide for, you know, substantiation that the IRS
12 has the applications, and then at that point in time there'll
13 be an effort to potentially monetize to the extent the Debtor
14 needs to do that at that time. But we're -- like I mentioned
15 a second ago, we're 2 to 3 weeks away from filing the 941X for
16 that fiscal year.

17 MR. JIMENEZ: Okay. So it will be fair to say the 9
18 million you said 9 to 10 months, this other 6 million I going
19 to be longer than that.

20 MR. LEFKOWITZ: That's fair, un-huh.

21 MR. JIMENEZ: Okay. So, Mr. Lefkowitz, I want to
22 reference -- if you could go to Page 37 on Docket 481. There
23 is a list of insurance policies. Can --

24 MR. LEFKOWITZ: Yes.

25 MR. JIMENEZ: Why are the value of these policies

1 all undetermined?

2 MR. LEFKOWITZ: Because we're still negotiating with
3 each of these various carriers.

4 MR. JIMENEZ: Have you see the policies?

5 MR. LEFKOWITZ: Not personally, no.

6 MR. JIMENEZ: Were there any steps taken to
7 determine the value of the policies?

8 MR. LEFKOWITZ: Yeah, there's a team at Gray Reed
9 that's diligently working on it.

10 MR. JIMENEZ: I didn't hear the last part, could you
11 please repeat it?

12 MR. LEFKOWITZ: There's a Gray Reed team, insurance
13 experts, that are diligently on the subject.

14 MR. JIMENEZ: So can we expect an amendment to the
15 schedules to disclose the value of these insurance policies?

16 MR. LEFKOWITZ: As the values get determined, I mean
17 there's constant negotiation and settlement discussions with
18 each and every one of these carriers.

19 MR. JIMENEZ: So the answer, your answer is yes,
20 once you determine the values you will be amending the
21 schedules?

22 MR. LEFKOWITZ: Correct.

23 MR. KAUFMAN: Yeah, Mr. Jimenez, I don't -- this is
24 Aaron again, I don't know that I've ever amended schedules to
25 value insurance policies, but if we're able to do that, we'll

1 certainly do that.

2 MR. JIMENEZ: Thank you, Mr. Kaufman.

3 Mr. Lefkowitz, moving to Page 42, there is a list of
4 states that the Debtor may have state tax liability to. Why
5 are these amounts all a No?

6 MR. LEFKOWITZ: Because they're all -- they all need
7 to be -- still need to be reconciled and filed and the tax
8 returns are still outstanding.

9 MR. JIMENEZ: And this state tax liabilities, do you
10 know for what year they are for, what tax year?

11 MR. LEFKOWITZ: Some of them are '22, some of them
12 go -- date back to '20.

13 MR. JIMENEZ: So between 2020 to 2022?

14 MR. LEFKOWITZ: Correct.

15 MR. JIMENEZ: To your knowledge was the Debtor
16 current on all tax obligations?

17 MR. LEFKOWITZ: Obligations? Meaning what, filings?

18 MR. JIMENEZ: Filings of tax returns and payment of
19 tax liability.

20 MR. LEFKOWITZ: I'm not certain but I believe filing
21 was pretty much up-to-date, except the schedule, and I'm not
22 certain on the obligation.

23 MR. JIMENEZ: Now on the statement of financial
24 affairs, looking at the statement of financial affairs from
25 2021 the company was generating 598 million, and in 2022 102

1 million. Can you explain the drop in revenue between 2022 and
2 2021?

3 MR. LEFKOWITZ: It simply lost many of its
4 contracts.

5 UNIDENTIFIED SPEAKER: After the merger.

6 MR. JIMENEZ: Can you identify which contracts the
7 company lost?

8 MR. LEFKOWITZ: State of Idaho, State of Michigan,
9 State of Missouri, those are the bulk of the large, and then
10 some others.

11 MR. JIMENEZ: And how about 2023, did the Debtor
12 have any gross revenue in 2023?

13 MR. LEFKOWITZ: No.

14 MR. JIMENEZ: Did the Debtor have any non-business
15 revenue in 2023?

16 MR. LEFKOWITZ: No.

17 MR. JIMENEZ: So looking at Attachment Number 3,
18 there are various payments to suppliers and vendors. Why were
19 these payments made after the divisional merger?

20 MR. LEFKOWITZ: When was it made?

21 MR. JIMENEZ: After the divisional merger.

22 MR. LEFKOWITZ: I didn't hear the question. You
23 asked when or why?

24 MR. JIMENEZ: Why.

25 MR. LEFKOWITZ: To know who the Debtor owes money

1 to.

2 MR. JIMENEZ: Okay. But after the divisional merger
3 did the Debtor any operations?

4 MR. LEFKOWITZ: Didn't have operations but it
5 undertook to collect assets and to pay some of the
6 liabilities.

7 MR. JIMENEZ: Who is Sigma Risk Management?

8 MR. LEFKOWITZ: It's a group of lawyers that manage
9 the PLI matters for the Debtor.

10 MR. JIMENEZ: Manage what?

11 MR. LEFKOWITZ: Professional liability matters,
12 plaintiffs that sue the Debtor.

13 MR. JIMENEZ: And what services does Sigma Risk
14 Management provide to the Debtor?

15 MR. LEFKOWITZ: They assess the claim, they allocate
16 the litigation to defense counsel to negotiate a settlement
17 with plaintiffs, anything and everything that has to deal with
18 professional liability. Submits the claims to insurance
19 companies.

20 MR. JIMENEZ: Who is BioReference Laboratories?

21 MR. LEFKOWITZ: It's a nationwide laboratory company
22 that analyzes blood samples and all other type of lab work.

23 MR. JIMENEZ: What services does BioReference
24 Laboratories provide to the Debtor?

25 MR. LEFKOWITZ: Lab services.

1 MR. JIMENEZ: So are any -- did BioReference
2 Laboratories provide lab services after the divisional merger?

3 MR. LEFKOWITZ: No.

4 MR. JIMENEZ: And who is Jackson Lewis, LLP?

5 MR. LEFKOWITZ: That's a law firm representing aa
6 hospital in Missouri.

7 MR. JIMENEZ: Representing a hospital?

8 MR. LEFKOWITZ: Correct.

9 MR. JIMENEZ: Does Jackson Lewis provide any
10 services to the Debtor?

11 MR. LEFKOWITZ: No, they were representing a
12 plaintiff and this was in payment to the plaintiff.

13 MR. JIMENEZ: Who is JDG COG Consulting?

14 MR. LEFKOWITZ: It's a consulting company that
15 worked with the [indiscernible] before we entered into
16 [indiscernible].

17 MR. JIMENEZ: What services does JDG COG Consulting
18 provide to the Debtor?

19 MR. LEFKOWITZ: It doesn't provide anything to the
20 Debtor during post-December 21, these were all payments prior,
21 prior services. So the Debtor did not receive any services
22 [indiscernible].

23 MR. JIMENEZ: Who is, and forgive me if I'm
24 mispronouncing the name, Ayodeji Ladele, MD?

25 MR. LEFKOWITZ: He is the Chief Medical Officer,

1 used to be the Chief Medical Officer of the Debtor.

2 MR. JIMENEZ: Not anymore?

3 MR. LEFKOWITZ: Not for the Debtor, no.

4 MR. JIMENEZ: Is Mr. Ladele with YesCare?

5 MR. LEFKOWITZ: Correct.

6 MR. JIMENEZ: Who is J. Scott King?

7 MR. LEFKOWITZ: He used to be the in-house counsel
8 for the Debtor.

9 MR. JIMENEZ: And Mr. King is currently with
10 YesCare?

11 MR. LEFKOWITZ: Yes.

12 MR. JIMENEZ: In a similar role as in-house counsel?

13 MR. LEFKOWITZ: Correct.

14 MR. JIMENEZ: On Attachment 29 it looks like all
15 these positions ended on May 5 '22. Is there a reason why
16 these positions terminated on May 5, 2022?

17 UNIDENTIFIED SPEAKER: Yeah.

18 MR. LEFKOWITZ: Because that's the day that the
19 divisional merger --

20 MR. JIMENEZ: I didn't get that. Could you please
21 repeat the answer?

22 MR. LEFKOWITZ: That is the day that the divisional
23 merger occurred.

24 MR. JIMENEZ: Okay. And what happened with these
25 positions, did all these people move to YesCare?

1 MR. LEFKOWITZ: No, not all of them.

2 MR. JIMENEZ: Okay. What about A. Goldberger?

3 MR. LEFKOWITZ: No, he was terminated.

4 MR. JIMENEZ: What about Davy [indiscernible]?

5 MR. LEFKOWITZ: Terminated.

6 MR. JIMENEZ: What about F. Jeffrey Shully

7 [phonetic]?

8 MR. LEFKOWITZ: Moved over to YesCare.

9 MR. JIMENEZ: What about Jay Laytner [phonetic]?

10 MR. LEFKOWITZ: Terminated.

11 MR. JIMENEZ: And what about Sara Kushwell

12 [phonetic]?

13 MR. LEFKOWITZ: Moved over to YesCare.

14 MR. JIMENEZ: Does the Debtor keep medical records
15 of patients?

16 MR. LEFKOWITZ: Yes.

17 MR. JIMENEZ: Did those records contain personal
18 identifiable information?

19 MR. KAUFMAN: This is Aaron Kaufman. I just want to
20 make sure Mr. Lefkowitz understands that term since it's a
21 term of art.

22 MR. JIMENEZ: I'll rephrase it, Mr. Kaufman, I'll
23 rephrase.

24 Do you keep personal identifiable information in the
25 medical records, and by that I mean social security numbers,

1 date of birth and information like -- of that sort?

2 MR. LEFKOWITZ: We don't have social security
3 numbers, we do have date of birth, we do have name and inmate
4 numbers.

5 MR. JIMENEZ: And who has custody of these records?

6 MR. LEFKOWITZ: At present?

7 MR. JIMENEZ: Correct.

8 MR. LEFKOWITZ: (No audible response.)

9 MR. JIMENEZ: Mr. Lefkowitz?

10 MR. LEFKOWITZ: Yeah, I mean technically they're
11 sitting on Corizon's servers, old Corizon -- the Debtor's
12 servers. But it's questionable whether the Debtor actually
13 has access to the server.

14 MR. JIMENEZ: Who has access to the server?

15 MR. LEFKOWITZ: I think this is something that we
16 decided not to discuss at the 341 meeting. This was a
17 discussion *in camera* with the Judge and there's still going --
18 it's an ongoing process of who has access to the server.

19 MR. JIMENEZ: I don't believe that is my question.
20 I meant my question is the Debtor -- under general
21 circumstances does the Debtor have access to that server?

22 MR. KAUFMAN: Mr. Jimenez, can you just give us a
23 time frame, that might clarify things.

24 MR. JIMENEZ: Sure. So after the divisional merger
25 until today did the Debtor have access to the server that has

1 the medical records?

2 MR. LEFKOWITZ: All right. So the Debtor had access
3 from the divisional merger to approximately a week after the
4 bankruptcy filing.

5 MR. JIMENEZ: Okay. And that server was under the
6 control of the Debtor?

7 MR. LEFKOWITZ: Correct.

8 MR. JIMENEZ: Okay. Okay. At this time I'm going
9 to let creditors ask questions, starting with the Unsecured
10 Creditors Committee, Mr. Zluticky, do you have any questions?

11 MR. ZLUTICKY: Yes, thank you very much.

12 MR. KAUFMAN: Hold on, before we get started, I'm
13 not going to talk over you, this is Aaron, I just want
14 everyone to be -- Russell Perry has time constraints, he needs
15 to leave for the airport in, what, an hour?

16 MR. PERRY: In an hour.

17 MR. KAUFMAN: Okay.

18 MR. PERRY: Unless my flight [indiscernible].

19 MR. KAUFMAN: And we can stay. And Mr. Lefkowitz
20 has until what time before we need to adjourn?

21 MR. LEFKOWITZ: 7:00.

22 MR. KAUFMAN: 7:00 Eastern, 6:00 Central.

23 MR. LEFKOWITZ: Okay.

24 MR. KAUFMAN: Okay.

25 MR. ZLUTICKY: Thank you. So Mr. Perry and

1 Mr. Lefkowitz, return to the schedules, Docket 481. And
2 specifically what I'm focused on is Page 25 of 71.

3 MR. PERRY: Okay. We're here.

4 MR. ZLUTICKY: Item 74.1, Corizon Health, Inc.
5 versus Cobra Specialty Insurance company. Can you describe
6 generally what that lawsuit's about and what its status is?

7 MR. PERRY: Yeah, so we scheduled this a cause of
8 action because this is a dispute with an insurance carrier
9 related to a claim that was filed and otherwise not paid out.
10 There were breach of contracts that were identified in regards
11 to that dispute and the matter is ongoing currently. We don't
12 have a value for that specific claim, but we're continuing to
13 engage and would like to bring it to resolution.

14 MR. ZLUTICKY: Who represents the Debtor in that
15 case?

16 MR. PERRY: Yeah, I don't know the answer to that.

17 MR. ZLUTICKY: And has there been an application to
18 employ that counsel filed?

19 MR. LEFKOWITZ: I think it's only --

20 MR. PERRY: We'll get -- we'll have to refer -- I
21 believe -- so I believe that was 1 of the names of counsel on
22 the OCP list that was approved, but we'll have to confirm.

23 MR. ZLUTICKY: Okay. And where is that action
24 pending?

25 MR. LEFKOWITZ: Arizona.

1 MR. PERRY: I think it's Arizona, that's right, uh-
2 huh.

3 MR. ZLUTICKY: And what's the status of that action
4 currently?

5 MR. PERRY: That action -- the issue is we
6 effectively pressed pause on any activity once we filed so we
7 could understand what the proper course of action would be
8 moving forward. So were not actively working it at this point
9 in time, we need to [indiscernible] motion to approve, we need
10 to circle back with that respective counsel, determine whether
11 or not it makes sense to move forward. You know, the
12 insurance carrier itself is sort of part of the Gray Reed
13 analysis that Mr. Lefkowitz was working -- or talking about a
14 little bit ago will be part of the analysis for this as well.
15 So we have sort of grouped it with other insurance matters.
16 This one being obviously a claim, the other policies being
17 obviously policies that we'd like to, you know, liquidate and
18 settle it somewhere. But this is a dispute directly with the
19 insurance company with respect to payout and we need to move
20 it forward.

21 MR. ZLUTICKY: What's the total amount that was
22 claimed under the policy that wasn't paid?

23 MR. PERRY: I'll have to circle back. The reason we
24 put undetermined is we haven't been able to identify the exact
25 amount. And again, it's a breach of contract claim, that the

1 analysis is somewhat in its infancy and we need to push it
2 forward.

3 MR. ZLUTICKY: And is this -- and then this was set
4 in the statement of financial affairs?

5 MR. PERRY: As an interim policy it should be --

6 MR. ZLUTICKY: No, I'm saying it's the cause of
7 action listed on Attachment 7.

8 MR. PERRY: I'll have to cross-reference. Let's
9 see --

10 MR. KAUFMAN: And I kind of have my -- this is
11 Aaron, I don't my computer open, I just have the hard copy.
12 If you do a word search, it might move this faster.

13 MR. ZLUTICKY: Yeah, I couldn't find it so that's
14 why I was asking is maybe it was under something else and so
15 probably need to amend the [indiscernible] to add that in.

16 MR. KAUFMAN: All right. Noted.

17 MR. ZLUTICKY: Or point me, you know, to where I
18 missed it. So the --

19 MR. KAUFMAN: [Indiscernible].

20 MR. ZLUTICKY: I'm sorry?

21 MR. PERRY: I was saying if it's not on there, then
22 it was an inadvertent omission. We'll add it.

23 MR. ZLUTICKY: Sure. So going back to the schedules
24 that came with the same page, 75K3 Cronos [phonetic] breach of
25 contract demand, what is -- who is Cronos?

1 MR. LEFKOWITZ: Cronos is the payroll time keeping
2 system for the Debtor.

3 MR. ZLUTICKY: And what's the breach of contract
4 demand, what -- can you describe that generally?

5 MR. KAUFMAN: Since this is an ongoing settlement
6 discussion we're having with Cronos, I want to kind of veer
7 away from this. We are actively discussing with Cronos. I'm
8 happy to talk to [indiscernible] about this.

9 MR. ZLUTICKY Okay. I'm just trying to understand
10 what the [indiscernible] -- what the action's based on.

11 MR. LEFKOWITZ: Cronos had a nationwide outage in
12 the year of --

13 MR. PERRY: '21.

14 MR. LEFKOWITZ: -- it was end of '21, beginning
15 '22, and it caused a significant amount of damage to the
16 company.

17 MR. ZLUTICKY: Okay. And that's something that is
18 not in litigation right now. Is that correct?

19 MR. LEFKOWITZ: Correct.

20 MR. ZLUTICKY: Okay. Earlier you said Ankura
21 provided services to the Debtor in 2021. What services did
22 Ankura provide?

23 MR. LEFKOWITZ: Solvency analysis.

24 MR. PERRY: Yeah, Nick, it's Russell. So Ankura's
25 engagement letter was a company-side financial advisory role.

1 It began I think some time in I think late '19, early '20.
2 Ankura did not have any type of CRO or fiduciary
3 responsibility, pure financial advisory, and they advised the
4 company with respect to liquidity, the evaluation of strategic
5 alternatives and other typical financial advisory type
6 responsibilities. When the company was ultimately sold in
7 late '21 Ankura's engagement ended.

8 MR. ZLUTICKY: Did Ankura provide any advice or any
9 services to the buyer of Corizon?

10 MR. PERRY: It did not, no. There was no
11 involvement with the transaction or a [indiscernible] role.

12 MR. ZLUTICKY: Did Ankura provide any advisory
13 services related to the divisional merger?

14 MR. PERRY: It did not, no.

15 MR. ZLUTICKY: So other than the tax credit and the
16 lawsuit and the breach of contract claim I don't see any other
17 assets listed on the schedules. Is that correct?

18 MR. PERRY: Well, the ERC credits. So ERC credits,
19 the breach of contract for the insurance provider, the various
20 insurance policies that we're working through. And there'll
21 be other types of, you know, bankruptcy related issues and
22 matters that we'll pursue, preference actions and the like.

23 MR. ZLUTICKY: So who is managing the Debtor's
24 electronic records?

25 MR. PERRY: The Debtor's electronic records

1 currently are managed by a couple of different folks as we've
2 disclosed in the schedules. Sigma Risk Management will manage
3 and have obviously information as it relates to PLI claims,
4 insurance policies, things of that nature. We've worked
5 directly with Isaac on information that pertains to certain
6 Debtor's activities and the books and records there. And then
7 to the extent that we each work through Isaac for other
8 resources that may have Debtor's books and records from prior
9 to the divisional merger, then we work with individuals at,
10 for example, YesCare.

11 MR. ZLUTICKY: So I'm not asking necessarily who's
12 been a custodian of records historically, what I'm asking is
13 who's currently in charge of maintaining the Debtor's
14 electronic records?

15 MR. LEFKOWITZ: Why don't you define electronic
16 records.

17 MR. ZLUTICKY: Every single record that is stored
18 electronically and is not a physical record.

19 MR. LEFKOWITZ: You mean like a telephone bill?

20 MR. ZLUTICKY: I mean if it's electronically stored,
21 so it's not a hard copy and it is stored electronically, where
22 are those -- who's in charge of maintaining those records?

23 MR. LEFKOWITZ: You're talking about post-petition
24 or prior to petition?

25 MR. ZLUTICKY: I'm talking about post-petition.

1 MR. LEFKOWITZ: So post-petition any records that
2 exists to the Debtor is stored on my email, on my Dropbox, and
3 I'm handing it over to Ankura or to Debtor's counsel as
4 requested.

5 MR. ZLUTICKY: And the records that the Debtor had
6 pre-petition who is currently in charge of maintaining those
7 records?

8 MR. LEFKOWITZ: Pre-petition, what period?

9 MR. JIMENEZ: Excuse me, this is Andrew Jimenez.
10 For the witness, please let us know who is speaking because I
11 think a moment ago we had Mr. Perry testify and I'm not sure
12 if we have now Mr. Lefkowitz answering. Who is speaking right
13 now?

14 MR. LEFKOWITZ: Lefkowitz.

15 MR. JIMENEZ: Okay. So please when a different
16 witness starts answering a question, please state your name
17 for the Record so we can have a clear record of who is
18 providing the answer.

19 Please continue.

20 MR. LEFKOWITZ: Okay.

21 MR. ZLUTICKY: Mr. Lefkowitz, the Debtor had records
22 stored electronically at the time it filed bankruptcy. Is
23 that correct?

24 MR. LEFKOWITZ: Yes.

25 MR. ZLUTICKY: And those records can be back years,

1 not just months. Is that correct?

2 MR. LEFKOWITZ: Correct.

3 MR. ZLUTICKY: Okay. Where are those records
4 currently maintained?

5 MR. LEFKOWITZ: On the Corizon server.

6 MR. ZLUTICKY: When you say Corizon server, can you
7 please describe in more detail what you mean by Corizon
8 server?

9 MR. LEFKOWITZ: I can describe what Corizon is,
10 which I already did, and I describe to you what a server is.
11 So Corizon is the Debtor and a server is a piece of hardware
12 where information is stored.

13 MR. ZLUTICKY: And Corizon in this statement is
14 Tehum Care Services, Inc., formerly known as Corizon Health,
15 Inc.?

16 MR. LEFKOWITZ: Correct.

17 MR. ZLUTICKY: And so you've already testified that
18 Corizon has no employees, so who is maintaining those
19 electronic records?

20 MR. LEFKOWITZ: I do.

21 MR. ZLUTICKY: You personally are in charge of the
22 maintenance of all of the Debtor's electronic records.

23 MR. LEFKOWITZ: I'm not in charge of any
24 maintenance, I'm in charge of paying the bill of the server
25 that holds the records. The server --

1 MR. ZLUTICKY: When you say the -- go ahead.

2 MR. LEFKOWITZ: No, you go ahead. You spoke over
3 me, so finish.

4 MR. ZLUTICKY: When you say the server that holds
5 the records, you earlier described a server as a box.
6 Obviously you're not making payments to a box, so who --

7 MR. LEFKOWITZ: All right. You're mixing --

8 MR. ZLUTICKY: -- [indiscernible].

9 MR. LEFKOWITZ: You're mixing up a box with a server
10 and you're mixing up the timing. You asked me post-petition
11 and now you're asking pre-petition. All records pre-petition
12 is sitting on a server called the Corizon server.

13 MR. ZLUTICKY: And who hosts that server?

14 MR. LEFKOWITZ: Some local hosting company in
15 Nashville, Tennessee.

16 MR. ZLUTICKY: What's the name of that company?

17 MR. LEFKOWITZ: I don't have it handy.

18 MR. ZLUTICKY: Do you have it where you could
19 provide it?

20 MR. LEFKOWITZ: Yes.

21 MR. ZLUTICKY: Does HOCS Consulting provide any
22 services to the Debtor?

23 MR. LEFKOWITZ: To the Debtor post-petition?

24 MR. ZLUTICKY: Pre-petition.

25 MR. LEFKOWITZ: Pre-petition, yes.

1 MR. ZLUTICKY: What services?

2 MR. LEFKOWITZ: IT services.

3 MR. ZLUTICKY: I promise I don't mean to be glib,
4 but can you define what IT services means?

5 MR. LEFKOWITZ: You know, if you're mouse doesn't
6 work, if your keyboard doesn't work, if your monitor blinks.

7 MR. ZLUTICKY: Did they provide any services with
8 respect to servers that the Debtor had?

9 MR. LEFKOWITZ: Yes.

10 MR. ZLUTICKY: What were the services that they
11 provided with respect to the servers the Debtor had?

12 MR. LEFKOWITZ: IT services, I wouldn't know the
13 specifics of it.

14 MR. ZLUTICKY: Is HOCS Consulting the company in
15 Tennessee that's hosting the server?

16 MR. LEFKOWITZ: No, I believe it's a different
17 vendor that's hosting the server.

18 MR. ZLUTICKY: Does HOCS have any obligations with
19 respect to that server?

20 MR. LEFKOWITZ: I don't know what that question is -
21 - I don't know what obligations to the server means.

22 MR. ZLUTICKY: Are they in charge of maintaining the
23 server?

24 MR. LEFKOWITZ: No, I don't believe so, they are no
25 longer associated with the Debtor.

1 MR. ZLUTICKY: Effective as of what date?

2 MR. LEFKOWITZ: Effective as of the bankruptcy
3 filing.

4 MR. ZLUTICKY: So prior to the bankruptcy filing
5 they were involved with the Debtor?

6 MR. LEFKOWITZ: Correct.

7 MR. ZLUTICKY: And that ended on February 13, 2023
8 when the Debtor filed bankruptcy?

9 MR. LEFKOWITZ: There about.

10 MR. ZLUTICKY: Okay. Was it -- did it end before
11 the bankruptcy case was filed?

12 MR. LEFKOWITZ: I don't know the exact date that the
13 relationship turned, but thereabout, either a day before or a
14 day after or a day -- during the same day. Just about the
15 same time.

16 MR. ZLUTICKY: Who terminated the relationship?

17 MR. LEFKOWITZ: I did.

18 MR. ZLUTICKY: Why?

19 MR. LEFKOWITZ: I wasn't ready to pay any fees
20 anymore.

21 MR. ZLUTICKY: Did the Debtor still need the
22 services that HOCS was providing?

23 MR. LEFKOWITZ: No.

24 MR. ZLUTICKY: On the statement of financial
25 affairs, which is Docket 482, it is a 53-page document, I'm

1 looking specifically at Page 33 of 53. 28.1 and 28.2 it lists
2 the Salizoss [phonetic] Intermediate Holdings, Inc. is the
3 parent company of the Debtor. Can you describe what
4 [indiscernible] --

5 MR. LEFKOWITZ: 100 percent.

6 MR. ZLUTICKY: -- Salizoss Intermediate Holdings,
7 Inc. had in the Debtor as of the filing date?

8 MR. LEFKOWITZ: It says right on the document,
9 100 percent.

10 MR. ZLUTICKY: When is the last time that the Debtor
11 filed a consolidated tax return?

12 MR. LEFKOWITZ: I believe in -- I believe it was
13 filed a month ago.

14 MR. ZLUTICKY: Was there -- is there a refund due
15 under the consolidated tax return?

16 MR. LEFKOWITZ: I don't have the return in front of
17 me.

18 MR. ZLUTICKY: And prior returns had there been
19 refunds that are due and owing from the IRS?

20 MR. LEFKOWITZ: Prior means when, what years?

21 MR. ZLUTICKY: 2020.

22 MR. LEFKOWITZ: I think the company's been carrying
23 NOLs for quite a time.

24 MR. ZLUTICKY: Those NOLs resulted in a tax refund?

25 MR. LEFKOWITZ: No.

1 MR. ZLUTICKY: Which accounting firm files these
2 consolidated tax returns?

3 MR. LEFKOWITZ: Some local CPA firm in Nashville.

4 MR. ZLUTICKY: I'm sorry, did you say Nashville,
5 Tennessee?

6 MR. LEFKOWITZ: Correct.

7 MR. ZLUTICKY: What is the Debtor's goal in this
8 bankruptcy case?

9 MR. LEFKOWITZ: To settle with the creditors and
10 exit out of bankruptcy.

11 MR. ZLUTICKY: Utilizing the tax credits, the Cronos
12 demands and the insurance claim.

13 MR. LEFKOWITZ: And whatever other assets the Debtor
14 has access to.

15
16 MR. ZLUTICKY: Have you personally, Mr. Lefkowitz,
17 done an investigation as to whether the Debtor has other
18 assets, like causes of action?

19 MR. LEFKOWITZ: I'm involved in discussions, yes.

20 MR. ZLUTICKY: Okay. Well, I'm not looking to
21 invade attorney-client privilege, but to the extent that those
22 discussions were with someone other than counsel, who were
23 they with?

24 MR. LEFKOWITZ: Only with counsel.

25 MR. ZLUTICKY: Okay. Is there anyone else at the

1 Debtor other than counsel who is investigating the Debtor's
2 assets including potential causes of action?

3 MR. LEFKOWITZ: The Ankura firm..

4 MR. ZLUTICKY: Anyone else?

5 MR. LEFKOWITZ: I don't know if Ankura's hiring any
6 subcontractors, but it's mainly commissioned through the
7 Ankura firm.

8 MR. ZLUTICKY: Other than any theoretical
9 subcontractors Ankura may hire, anyone else?

10 MR. LEFKOWITZ: Not that I'm aware of.

11 MR. KAUFMAN: Nick, Bradley was -- this is Aaron
12 Kaufman for the Record -- Bradley [indiscernible] whatever,
13 the Bradley firm is hired as special counsel on the Cronos
14 matter.

15 MR. ZLUTICKY: Thank you.

16 MR. KAUFMAN: And I think you heard Russell say that
17 there was a firm on the OCP list in the Cobra matter.

18 MR. ZLUTICKY: Yes, thank you.

19 MR. ZLUTICKY: Mr. Lefkowitz, you negotiated the
20 risk management agreement with Sigma on behalf of the Debtor.

21 MR. KAUFMAN: Sorry, Nick, can you start over, there
22 was buzz in the middle of your question.

23 MR. ZLUTICKY: Sure. Mr. Lefkowitz, who negotiated
24 the agreement with Sigma Risk Management on behalf of the
25 Debtor?

1 MR. LEFKOWITZ: I did.

2 MR. ZLUTICKY: Did you interview any other risk
3 management firms before selecting Sigma?

4 MR. LEFKOWITZ: Yes.

5 MR. ZLUTICKY: Which ones?

6 MR. LEFKOWITZ: I don't have the name in front of me
7 but then there were like 2 firms we reached out to that were
8 far more expensive and inexperienced in [indiscernible].

9 MR. ZLUTICKY: Did the fact that Zalman Shapiro
10 [phonetic] was at Sigma Risk Management play a factor in
11 selecting Sigma Risk Management?

12 MR. LEFKOWITZ: I don't think so.

13 MR. ZLUTICKY: Was Zalman Shapiro at the other firms
14 you looked at?

15 MR. LEFKOWITZ: No.

16 MR. ZLUTICKY: And Zalman's also in-house counsel
17 for [indiscernible].

18 MR. LEFKOWITZ: Correct.

19 MR. ZLUTICKY: What is Perigrove's relationship to
20 the Debtor?

21 MR. LEFKOWITZ: Perigrove has no relationship to the
22 Debtor. I believe, Nick, we had a deposition this morning and
23 they were clarified exactly on the org chart and the corporate
24 structure. So you have all the information.

25 MR. ZLUTICKY: Okay. Mr. Jimenez, those are all the

1 questions that the Committee has at this time.

2 MR. JIMENEZ: Thank you.

3 MR. ZLUTICKY: So we would pass the witness.

4 MR. JIMENEZ: Thank you.

5 At this time there is a gentleman, first name Val,
6 please -- I said my apology because I didn't get your last
7 name correctly, the gentleman from Alabama. Are you on the
8 line?

9 MR. EARLY: Good afternoon. Yes, [indiscernible]
10 I'm Val Early, E-A-R-L-Y.

11 MR. JIMENEZ: Thank you.

12 MR. EARLY: Like early in the morning.

13 MR. JIMENEZ: Thank you, Mr. --

14 MR. EARLY: Good afternoon, Mr. Lefkowitz.

15 Thank you, Mr. Jimenez. Shall -- may I proceed?

16 MR. JIMENEZ: Go ahead.

17 MR. EARLY: Thank you.

18 Mr. Lefkowitz, I'm Val Early, I'm a lawyer in
19 Birmingham, and I represent Plaintiffs [indiscernible],
20 Corizon and a host of others. I have just a few questions
21 question for you. If I ask you something that you -- for
22 which you need clarification, I hope you will let me know. If
23 you are unable to understand me, please tell me that, too.
24 Sometimes being from the Deep South I'm accused of speaking
25 too quickly to people, and that could be expected, so that,

1 ladies and gentlemen, was your piece of humor for the day.

2 MR. KAUFMAN: I'm also from the -- this is Aaron
3 Kaufman, also from the South.

4 MR. EARLY: Very well done.

5 Mr. Lefkowitz, do you know who owns the entity known
6 as Sigma Contracting?

7 MR. KAUFMAN: Hold up, Mr. Early, just real quick
8 for -- so I can be clear on this. Can you for the Record tell
9 us who your client is?

10 MR. EARLY: My client is Tracey Grissom.

11 MR. KAUFMAN: Thank you. Okay. Go ahead.

12 MR. EARLY: I'll repeat the question. Mr.
13 Lefkowitz, do you know who own the entity known as Sigma
14 Contracting?

15 MR. LEFKOWITZ: No.

16 MR. EARLY: Thank you. Do you know who owns the
17 entity known as Sigma Risk Management?

18 MR. LEFKOWITZ: Yes.

19 MR. EARLY: Will you please tell me who that is?

20 MR. LEFKOWITZ: It's a group of lawyers.

21 MR. EARLY: I see. And do you own any interest in
22 either Sigma Contracting or Sigma Risk Management?

23 MR. LEFKOWITZ: No.

24 MR. EARLY: Do you know where either of those
25 entities is physically located?

1 MR. LEFKOWITZ: They operate all over the country
2 virtually.

3 MR. EARLY: So they may have --

4 MR. LEFKOWITZ: I don't nothing -- I don't know --
5 one minute, one minute, one minute, let me -- let me -- I'm
6 from the South too so let me talk slowly. I know nothing
7 about Sigma -- I know nothing about Sigma contracting, so any
8 questions about Sigma contracting the answer is no, I don't
9 know, I don't even know who you're referring to. Sigma Risk
10 Management --

11 MR. EARLY: Well, you testified -- you testified
12 earlier this afternoon that Sigma Contracting had something to
13 do with this case and I was just following up on that.

14 MR. PERRY: Now, Mr. Early, this is Russell Perry.
15 I specifically said earlier the Debtor contracted with Sigma,
16 Sigma Risk Management. So if the words were Sigma
17 Contracting, it was in regards to the Debtor contracting with
18 Sigma. Just so we are clear. And it was my fault if earlier
19 when I was speaking I wasn't clear enough. There is no entity
20 called Sigma Contracting the Debtor deals with. It's Sigma
21 Risk Management, but there is a third party contract between
22 the Debtor and Sigma Risk Management.

23 MR. EARLY: I'm sorry to have to do this, but will
24 you please tell me your name?

25 MR. PERRY: My name is Russell Perry.

1 MR. EARLY: Thank you.

2 MR. PERRY: I'm the Debtor's --

3 MR. EARLY: I just wasn't -- yes, I wasn't sure
4 who --

5 MR. PERRY: Okay.

6 MR. EARLY: -- was speaking.

7 Now back to the question, Mr. Lefkowitz. Do you own
8 any real estate from which -- in which Sigma Risk Management
9 keeps any of its records?

10 MR. LEFKOWITZ: No.

11 MR. EARLY: Are you the owner or member of a company
12 or partnership which owns real estate which leases to Sigma
13 Risk Management?

14 MR. LEFKOWITZ: No.

15 MR. EARLY: Okay. Now we'll switch gears a little
16 bit. I want you to tell me very briefly have you ever been to
17 the physical structure in which the Debtor maintains its
18 office in Brentwood, Tennessee?

19 MR. LEFKOWITZ: Yes.

20 MR. EARLY: And are you aware that YesCare maintains
21 an office space in the same suite of offices?

22 MR. LEFKOWITZ: No, not the same suite.

23 MR. EARLY: No, the question was are you aware.

24 MR. LEFKOWITZ: I'm aware that it's not in the same
25 suite.

1 MR. EARLY: Very well. Do you know where YesCare
2 maintains its offices?

3 MR. LEFKOWITZ: All over the country.

4 MR. EARLY: Are you aware that YesCare claims that
5 its office address is the same street and suite number as that
6 listed in the Debtor's petition for the Debtor?

7 MR. LEFKOWITZ: Yeah, that is an office building
8 that has virtual mail, but that's all it is. The physical
9 offices of YesCare is all over the country.

10 MR. EARLY: So if I were to tell you for instance
11 that YesCare claims to be located at 205 Powell Place, Suite
12 104, Brentwood, Tennessee 37027, you cannot confirm or deny
13 that. Is that accurate?

14 MR. LEFKOWITZ: I can tell you the largest office
15 that YesCare has is right in your backyard in Montgomery,
16 Alabama.

17 MR. EARLY: Can you answer my question, please?

18 MR. LEFKOWITZ: I don't know what your question is
19 and I don't know what you're trying to say. Basically
20 YesCare --

21 MR. EARLY: I'm just trying to ask you a simple
22 direct question, Mr. Lefkowitz --

23 MR. LEFKOWITZ: And I'm giving you simple direct --

24 MR. EARLY: -- and I expect you to answer my
25 question at least --

1 MR. LEFKOWITZ: Okay. Very good. So, YesCare --

2 MR. EARLY: Can you confirm or deny --

3 MR. JIMENEZ: Let's take a moment, let's take a
4 moment.

5 MR. EARLY: Can you confirm --

6 MR. JIMENEZ: Please let's take a moment. This is
7 Andrew Jimenez. So this proceeding is being recorded, if
8 people speak over each other --

9 MR. EARLY: Yes.

10 MR. JIMENEZ: -- we're not going to have a clear
11 record. So, Mr. Lefkowitz, just listen to the question and
12 provide an answer to the question. That's all you're required
13 to do. Let's try to not engage in conversation, just answer
14 the question that is being asked.

15 Continue, Mr. Early.

16 MR. EARLY: Thank you, Mr. Jimenez.

17 Mr. Lefkowitz, can you confirm or deny that the
18 physical location of YesCare is at 205 Powell Place, Suite
19 104, Brentwood, Tennessee 37027?

20 MR. LEFKOWITZ: So I'm not going to confirm, I'm not
21 going to deny, I'm going to explain. YesCare is based in
22 Texas, headquartered in Texas and it has a virtual office of
23 mail collection in 205 Powell Street in Brentwood. So if this
24 doesn't answer the question, I don't know what else will.

25 MR. EARLY: Actually it does, and thank you for

1 that. I appreciate your candor. I will ask you now to look
2 at the monthly report which was filed today for the Debtor, it
3 is Docket Number 552. I will wait for a minute while you take
4 a look at that. I have a question about it.

5 MR. LEFKOWITZ: Okay.

6 MR. EARLY: If you will please --

7 MS. WEBB: Mr. Early, this is Lydia Webb, counsel
8 for --

9 MR. EARLY: Yes, ma'am.

10 MS. WEBB: -- excuse me, we don't have that
11 document printed so I'm going to pull it up electronically for
12 Mr. Lefkowitz.

13 MR. EARLY: Sure. Take your time. I'll wait for
14 him. I've got it right here.

15 MS. WEBB: Excuse me, are you --

16 MR. EARLY: The monthly report.

17 MS. WEBB: -- for which month?

18 MR. EARLY: It appears to be for the month ending
19 March 31, it is Docket Number 552. It was filed today.
20 according to the CMECF stamp on its top border.

21 MR. LEFKOWITZ: Okay. I have it in front of me.

22 MR. EARLY: Wonderful. I would like for you to look
23 on the second page at Item Part 2E as in echo. It's entitled
24 Total Assets. According to the document at which you're
25 looking are total assets listed as \$20,761,254?

1 MR. LEFKOWITZ: Okay.

2 MR. EARLY: Does your document have that figure
3 listed on Part 2, letter E?

4 MR. LEFKOWITZ: Yes. Yes.

5 MR. EARLY: Thank you. So as of March 31, 2023
6 according to this document the Debtor has assets totaling
7 \$20,761,254. Is that accurate?

8 MR. LEFKOWITZ: Correct. Correct.

9 MR. EARLY: Now you testified earlier, or someone
10 testified earlier I'll just put it that way, that post-
11 petition the Debtor opened a bank account at Bank of America.
12 Do I remember that correctly?

13 MR. LEFKOWITZ: Yes.

14 MR. EARLY: Did the Debtor open more than 1 bank
15 account?

16 MR. LEFKOWITZ: The Debtor opened up a bank account
17 at Signature Bank but never utilized it.

18 MR. EARLY: Did the Debtor open more than 1 bank
19 amount at the Bank of America?

20 MR. LEFKOWITZ: 2 accounts.

21 MR. EARLY: Very good. I will ask you to look at
22 Document 552, which you were looking at it should have been
23 just a moment ago. Go to the 17th sheet of that as opposed to
24 Page 17, the 17th sheet appears to be a copy of an attachment
25 to the monthly report. I'll wait while you call that up.

1 MR. LEFKOWITZ: Yes, sir.

2 MR. EARLY: Mr. Lefkowitz, do you see that now?

3 MR. LEFKOWITZ: Yes

4 MR. EARLY: Thank you.

5 MR. LEFKOWITZ: Yes, sir.

6 MR. EARLY: It appears to be -- thank you -- it
7 appears to be a copy of a bank statement for an account ending
8 in 6404 at the Bank of America. Is that -- or the document --
9 is the document you're looking at the same as the one I'm
10 looking at?

11 MR. LEFKOWITZ: Correct.

12 MR. EARLY: And it shows a balance I that bank
13 account of \$2 million as of March 31. Right?

14 MR. LEFKOWITZ: Correct.

15 MR. EARLY: Thank you. I'll ask you to turn to the
16 23rd sheet of Docket 552. Again, not the 23rd page, just the
17 23rd sheet. It's hard sometimes when we have these numbered
18 documents that end up with attachments because you've got to
19 figure out what piece of paper it's on. Page 23
20 [indiscernible].

21 MR. LEFKOWITZ: Yes.

22 MR. EARLY: Thank you. It appears to be for a bank
23 account in the name of the Debtor ending in 6433 with a
24 balance as of March 31 of zero dollars. Is that --

25 MR. LEFKOWITZ: [Indiscernible].

1 MR. EARLY: -- accurately describing that?

2 MR. LEFKOWITZ: Correct.

3 MR. EARLY: Thank you. Now as of March 31 according
4 to your monthly report you had 20 million -- roughly
5 20,700,000 plus change in assets, of which, if we did my
6 numbers right, \$2 million is in the bank. Where's the other
7 \$18 million? What other -- what constitutes the balance of
8 those assets, is it physical property, is it money, is it
9 causes of actions, is it an insurance policy, I'm asking just
10 generally, if you can say.

11 MR. LEFKOWITZ: Technically insurance related assets
12 as well as assets that's listed on the [indiscernible].

13 MR. EARLY: Wonderful. Thank you. I'm going to ask
14 you -- let me make sure I'm going to call the right document
15 number, Docket 481. Document 481. Let me know when you're
16 ready.

17 MR. LEFKOWITZ: Ready.

18 MR. EARLY: Thank you. According to that document
19 it appears to be the schedules filed in the case. Just
20 recently, April 25 I think it says, or 28 rather. So roughly
21 two weeks ago. And at Page 14 it shows assets of zero dollars
22 into that one. Is that accurate?

23 MR. LEFKOWITZ: Page 14?

24 MR. EARLY: Yes.

25 MR. LEFKOWITZ: Yes, I'm already there, that's

1 correct.

2 MR. EARLY: Thank you. Zero dollars. So is it
3 accurate then to say that between the date that document was
4 filed, April 28, and the date your monthly report was filed,
5 which is today, the Debtor has now increased its assets from
6 zero to just a shade under 21 million. Is that accurate?

7 MR. LEFKOWITZ: No, it's not accurate.

8 MR. EARLY: Oh. Can you tell me how that number has
9 increased so dramatically since the date of the filing of the
10 petition?

11 MR. LEFKOWITZ: It's two different classes of
12 assets. Page 14 deals with [indiscernible] and personal
13 property.

14 MR. EARLY: Oh, I see. All right. Thank you. Let
15 me see if I've got any [indiscernible]. Now you were asked
16 earlier about personal identifying information. That is a
17 term of art, your lawyer was right. It's a term of art used
18 in many respects in connection with HIPAA, the personal
19 privacy laws passed by our Congress to protect people's health
20 information.

21 And I don't know if I ever really understood from
22 you, Mr. Lefkowitz, if anybody is monitoring and/or protecting
23 any records involving any inmate's and patients that Corizon
24 may have treated while it was in existence? Now if I'm
25 incorrect, please, by all means, tell me. Is anyone

1 maintaining those records or securing them in any way?

2 MR. LEFKOWITZ: Records are on a server that's
3 locked up.

4 MR. EARLY: Okay. And where is that server -- wait
5 a minute, let me back up, let me back up. I'm jumping ahead
6 of myself like a pony at the circus. Sorry about that. This
7 server of which you have spoken is it a physical box that a
8 person could lift or touch or move or -- is it a box or is it
9 something in the cloud as they say?

10 MR. LEFKOWITZ: No, it's physical hardware.

11 MR. EARLY: Do you know where that box is located?

12 MR. LEFKOWITZ: Nashville, Tennessee.

13 MR. EARLY: Do you know the address at which that
14 box is located?

15 MR. LEFKOWITZ: I don't have --

16 MR. EARLY: And you said earlier -- let me, let
17 me -- I'm going to step on my own toes here. I apologize.
18 You said earlier --

19 MR. LEFKOWITZ: [Indiscernible].

20 MR. EARLY: -- very, very clumsily you have -- you
21 are [indiscernible].

22 MR. LEFKOWITZ: And I'm old enough to know how that
23 feels.

24 MR. EARLY: But I think you said earlier that you
25 aren't exactly sure the name of the company and you would

1 provide it. Are you thinking about the same thing?

2 MR. LEFKOWITZ: Correct.

3 MR. EARLY: And will provide that to your counsel
4 for distribution to those listening who want to know?

5 MR. LEFKOWITZ: Absolutely.

6 MR. EARLY: Wonderful. That is just tremendous.
7 Thank you for that. Have you ever -- do you know anything
8 about providing notice to people whose personal HIPAA records
9 have been -- whose data has been breached? Do you know
10 anything --

11 MR. LEFKOWITZ: Yes. Yes, I do.

12 MR. EARLY: Do you know whether the Debtor has ever
13 given such a notice to patients in the Debtor's -- the Debtor
14 and its employees have treated. I'm sorry to stumble over my
15 words there, but it's sort of hard to describe. Do you know
16 if the Debtor has ever given a HIPAA notice to anyone?

17 MR. LEFKOWITZ: Not in the last 3 years.

18 MR. EARLY: What relationship do you have, Mr.
19 Lefkowitz, with M2Loan Company?

20 MR. LEFKOWITZ: I'm a director of that company.

21 MR. EARLY: Oh. And you -- I want to make sure that
22 I understand your role with the Debtor as well. Are you the
23 director of the Debtor, the owner of the Debtor, the present
24 Debtor, tell me what your role is with the Debtor.

25 MR. LEFKOWITZ: I'm a director of the Debtor.

1 MR. EARLY: Thank you. So you're a director of the
2 Debtor, and you're a director of M2Loan Company. Now is
3 M2Loan company going to lend money to the Debtor?

4 MR. LEFKOWITZ: Yes.

5 MR. EARLY: Ah. Okay. Can you tell me, I think
6 this might be my last question, can you tell me who owns
7 Balitoss [phonetic] Intermediate Holdings?

8 MR. LEFKOWITZ: M2HoldCo.

9 MR. EARLY: N as in November or M as in Mike?

10 MR. LEFKOWITZ: M as in mother.

11 MR. EARLY: Mother. Oh. Thank you so much for
12 that. M2HoldCo. Is that right?

13 MR. LEFKOWITZ: Correct.

14 MR. EARLY: M2HoldCo. Do you own an interest in
15 M2HoldCo?

16 MR. LEFKOWITZ: No.

17 MR. EARLY: Are you a director or officer or
18 shareholder with M2HoldCo?

19 MR. LEFKOWITZ: I'm aa director, not an officer and
20 not a shareholder and not a --

21 MR. EARLY: Wonderful. Thank you. And does
22 M2HoldCo have any relationship to M2LoanCo?

23 MR. LEFKOWITZ: Yes.

24 MR. EARLY: And what is that relationship?

25 MR. LEFKOWITZ: They own M2LoanCo.

1 MR. EARLY: Oh. Do you know who founded M2HoldCo
2 and/or M2LoanCo?

3 MR. LEFKOWITZ: No.

4 MR. EARLY: Do you know where they were
5 incorporated?

6 MR. LEFKOWITZ: If they ere I believe in
7 [indiscernible].

8 MR. EARLY: Okay. That's all I have for right now.
9 Thank you, gentlemen and ladies.

10 MR. JIMENEZ: Thank you, Mr. Early.

11 So Ms. Elizabeth Heard, I know you and Ms. Rifkin
12 represent the same client, so I'm just going to ask that only
13 one of you ask questions, whichever one of either side wants
14 to go.

15 UNIDENTIFIED SPEAKER: [Indiscernible].

16 MS. HEARD: All right. This is Mary Elizabeth
17 Heard. We're covering different areas, but I'm going to defer
18 to Ms. Rifkin and have her go first, please.

19 MR. LEFKOWITZ: This is Isaac Lefkowitz, can I take
20 a two-minute bio break?

21 MS. HEARD: Fine with me.

22 UNIDENTIFIED SPEAKER: Love the phrase -- love the
23 word, bio break. Excellent.

24 MS. HEARD: Yeah, that takes --

25 MR. JIMENEZ: Yes.

1 MS. HEARD: -- more than two minutes, it takes
2 five.

3 MR. JIMENEZ: This is -- yes, this is Andrew Jimenez
4 presiding the meeting [indiscernible], and, yes, let's take a
5 five-minute break.

6 MR. LEFKOWITZ: Thank you.

7 (Recess taken.)

8 MR. JIMENEZ: Going back on the Record. This is
9 Andrew Jimenez for the United States Trustee. The time is
10 3:54 p.m. We did take a short five-minute recess and we are
11 back on the Record.

12 At this time, Ms. Rifkin, do you have any questions
13 for the Debtor?

14 MS. RIFKIN: I do have questions. And first I'd
15 like to clarify. I'd like to take some of the time and pass
16 it to our bankruptcy counsel, Ms. Heard, after that.

17 MR. JIMENEZ: Okay. So I'll accommodate, but please
18 remember, you know, we're trying to, you know, only one --
19 we're trying to do it only one attorney for each party just to
20 make sure that everyone has an opportunity. I just want to
21 make sure that everyone in the call today gets an opportunity.
22 So please make it brief and then we'll pass to Ms. Elizabeth
23 Heard.

24 MR. KAUFMAN: Yeah --

25 MS. RIFKIN: Thank you. And I recognize that --

1 MR. KAUFMAN: -- Mr. Jimenez -- Mr. Jimenez, I
2 don't have a problem with Ms. Rifkin and Ms. Heard sharing
3 time. I would just suggest -- I would just suggest maybe that
4 if questions have already been asked, if we could just move
5 along, that'll maybe speed some things along.

6 MS. HEARD: This is Mary Elizabeth. I can confirm
7 that I will not be duplicating any questions that have been
8 asked.

9 MR. JIMENEZ: Okay. So there's a dog barking in the
10 background. Whoever has the dog could you please make sure
11 you mute your line? Okay.

12 MR. KAUFMAN: There's no dogs in the -- from the
13 Debtor's [indiscernible].

14 MS. RIFKIN: That is -- this is Lori Rifkin, that
15 was my dog. I am on a headset. As soon as someone stops
16 passing by I think she'll stop. I'm sorry.

17 MR. JIMENEZ: Okay. Let's get started, Ms. Rifkind.

18 MS. RIFKIN: Can --

19 MR. JIMENEZ: We can hear you.

20 MS. RIFKIN: Okay. Mr. Lefkowitz, does Corizon, LLC
21 still exist?

22 MR. LEFKOWITZ: What does that mean?

23 MS. RIFKIN: Does Corizon, LLC still exist?

24 MR. LEFKOWITZ: Why don't you give over the
25 questioning to your colleague and go take care of -- and come

1 back --

2 MS. RIFKIN: You know what, Mr. Lefkowitz --

3 MR. LEFKOWITZ: It's very hard to hear you.

4 MS. RIFKIN: Okay. I'll take a 20 second break and
5 I'll be back.

6 MR. JIMENEZ: Ms. Heard, do you want to go ahead?

7 MS. HEARD: Sure. I'm happy to pick up and let her
8 have a minute.

9 All right. My questions are directed to --

10 MS. RIFKIN: I'm back. Ms. Heard, Ms. Heard, I'm
11 back.

12 MS. HEARD: Okay. [Indiscernible].

13 MS. RIFKIN: Mr. Lefkowitz, can you -- can you hear
14 me now?

15 MR. LEFKOWITZ: Yes.

16 MS. RIFKIN: Does Corizon, LLC still exist?

17 MR. LEFKOWITZ: Corizon, LLC changed its name to
18 Tehum Care Services which is the current Debtor.

19 MS. RIFKIN: Can you please turn to Document 482,
20 Page 52?

21 MR. LEFKOWITZ: Yes.

22 MS. RIFKIN: All right. Do you see the line for
23 business name, Corizon, LLC?

24 MR. LEFKOWITZ: Correct.

25 MS. RIFKIN: And you reviewed the Debtor's schedule

1 of financial affairs that we're looking at before it was
2 submitted you already testified.

3 MR. LEFKOWITZ: We already testified --

4 MS. RIFKIN: Is that correct?

5 MR. LEFKOWITZ: -- and we asked questions not to be
6 repeated for the sake of time management, so, yes --

7 MR. JIMENEZ: Mr. Lefkowitz --

8 MR. LEFKOWITZ: -- I testified to that --

9 MR. JIMENEZ: Mr. Lefkowitz, this is Andrew Jimenez.
10 Just answer the questions, do not engage in conversation with
11 the person asking the questions. Let's move on.

12 MR. LEFKOWITZ: Okay.

13 MS. RIFKIN: Mr. Lefkowitz, please explain what it
14 means that it says for Corizon, LLC on Page 52 under dates
15 business existed, 11/8/1982 through May 5, 2022?

16 MR. LEFKOWITZ: That's the dates that company was
17 existed under the name Corizon, LLC.

18 MS. RIFKIN: So I'm going to ask again, does
19 Corizon, LLC still exist?

20 MR. LEFKOWITZ: With a name change. Through a
21 merger.

22 MS. RIFKIN: Did Corizon, LLC cease to exist as of
23 May 5, 2022?

24 MR. LEFKOWITZ: Yes, at the merger.

25 MS. RIFKIN: What entity assumed liability after

1 May 5, 2022 for the lawsuit with the Plaintiff Adree Edmo as
2 listed on Page 39 of this Document 482?

3 MR. LEFKOWITZ: [Indiscernible].

4 MR. KAUFMAN: Sorry. Ms. Rifkin, can you repeat
5 that while we're flipping?

6 MS. RIFKIN: Sure. Let me know when you've gotten
7 to Page 39.

8 MR. KAUFMAN: We're there.

9 MS. RIFKIN: All right. Do you see the lawsuit,
10 Adree Edmo the Idaho Department of Corrections? That is the
11 second line --

12 MR. LEFKOWITZ: Yes, I do.

13 MS. RIFKIN: -- on this document. Okay.

14 MR. LEFKOWITZ: Yes, I do.

15 MS. RIFKIN: What entity -- what entity assumed
16 liability for this lawsuit after May 5, 2022?

17 MR. LEFKOWITZ: Tehum Care Services.

18 MS. RIFKIN: Did Tehum Care Services retain any
19 counsel to represent it in this lawsuit?

20 MR. LEFKOWITZ: Yes.

21 MS. RIFKIN: And what is the name of that counsel?

22 MR. LEFKOWITZ: It's in Sherman, Idaho, you wouldn't
23 know who that is, I don't recall the name.

24 MS. RIFKIN: Was it Parsons Behle?

25 MR. LEFKOWITZ: Correct.

1 MS. RIFKIN: And did Tehum have a retainer with
2 Parsons Behle to represent it in that lawsuit?

3 MR. LEFKOWITZ: I would assume so.

4 MS. RIFKIN: What -- turning to Page 35 of this
5 document, let me know when you're there.

6 MR. LEFKOWITZ: Yeah.

7 MS. RIFKIN: All right. I'm going to direct your
8 attention to 2 lines where the firm Parsons Behle & Latimer is
9 listed. Do you see that?

10 MR. LEFKOWITZ: Yes.

11 MS. RIFKIN: Do you know what the payment listed to
12 Parsons Behle on November 16, 022 was for?

13 MR. LEFKOWITZ: Legal services.

14 MS. RIFKIN: And what entity made that payment to
15 Parsons Behle?

16 MR. LEFKOWITZ: The Debtor.

17 MS. RIFKIN: Is that Tehum?

18 MR. LEFKOWITZ: Correct.

19 MS. RIFKIN: And that payment that came from
20 Tehum's --

21 MR. LEFKOWITZ: Oh, well --

22 MS. RIFKIN: -- account --

23 MR. LEFKOWITZ: -- one second, one second, I
24 misspoke. It wasn't Tehum, it was Corizon, in November Tehum
25 did not exist.

1 MS. RIFKIN: In November 2022 you just testified --

2 MR. LEFKOWITZ: No -- I'm sorry, I'm sorry, November
3 20 -- yeah, I'm sorry, relax, I'm sorry. November '22 is
4 Tehum. Correct.

5 MS. RIFKIN: And what bank account was that payment
6 made from?

7 MR. LEFKOWITZ: I don't know.

8 MS. RIFKIN: Who was responsible for paying -- for
9 making that payment?

10 MR. LEFKOWITZ: The Debtor.

11 MS. RIFKIN: And who are the directors of the Debtor
12 as of November 16, 2022?

13 MR. LEFKOWITZ: I am.

14 MS. RIFKIN: Any other directors?

15 MR. LEFKOWITZ: No.

16 MS. RIFKIN: Were there any -- who were the officers
17 of the Debtor as of November 16, 2022?

18 MR. LEFKOWITZ: There is no officers.

19 MS. RIFKIN: Who were the employees of the Debtor as
20 of November 16, 2022?

21 MR. LEFKOWITZ: There is no employees.

22 MS. RIFKIN: Other than yourself as the sole
23 director of the Debtor on November 16, 2022 who else worked
24 for or represented the Debtor?

25 MR. LEFKOWITZ: Quite a few law firms.

1 MS. RIFKIN: Who controlled access to the Debtor's
2 bank accounts on November 16, 2022?

3 MR. LEFKOWITZ: I do.

4 MS. RIFKIN: Did anybody else control access to the
5 Debtor's bank accounts on November 16, 2022?

6 MR. LEFKOWITZ: Not that I'm aware of.

7 MS. RIFKIN: Mr. Lefkowitz?

8 MR. LEFKOWITZ: Yeah, yeah, not that I'm aware of.

9 MS. RIFKIN: As the sole director of the Debtor on
10 November 16, 2022 would you have been aware whether anybody
11 else had access to the Debtor's bank accounts on that date?

12 MR. LEFKOWITZ: Correct.

13 MS. RIFKIN: And your testimony is that you're not
14 aware of anyone other than yourself who had control or access
15 of the Debtor's bank account as of November 16, 2022.
16 Correct?

17 MR. LEFKOWITZ: Correct.

18 MS. RIFKIN: Who authorized the payment from the
19 Debtor to Parson Behle & Latimer on November 16, 2022?

20 MR. LEFKOWITZ: I did.

21 MS. RIFKIN: And what account was that make out of
22 specifically --

23 MR. LEFKOWITZ: I don't know.

24 MS. RIFKIN: -- and I'm not -- okay, what account -
25 - what bank account to clarify did the Debtor have open on

1 November 26, 2022?

2 MR. LEFKOWITZ: It's all in the Record.

3 MS. RIFKIN: I would like you to clarify since you
4 just testified you weren't sure.

5 MR. LEFKOWITZ: That's just like you don't remember
6 your bank account number so don't I, so if there's anything --
7 accounts is listed in the record, in the report.

8 MS. RIFKIN: What bank was the bank account at that
9 was used to pay Parsons Behle & Latimer on November 16, 2022?

10 MR. LEFKOWITZ: I don't know sitting here today
11 which bank account cut a payment to Parsons in November '22.

12 MR. KAUFMAN: Lori, this is Aaron Kaufman. Just so
13 we're clear, not every payment in SOFA 3 came from the 2
14 Signature accounts, some were made by third parties on behalf
15 of the Debtor. That's the reason --

16 MS. RIFKIN: Okay.

17 MR. KAUFMAN: -- for the confusion.

18 MS. RIFKIN: Mr. Lefkowitz, who paid Parson Behle &
19 Latimer on November 16, 2022? You testified previously it was
20 the Debtor. Would you like to change your testimony after
21 comments from your lawyer?

22 MR. LEFKOWITZ: I don't want to change the
23 testimony, I want to change -- I want to clarify. If there
24 was a payment made, I personally approved it. Exactly from
25 where that payment went I cannot tell you today without having

1 the bank records in front of me.

2 MS. RIFKIN: Did a third party pay that -- make that
3 payment on behalf of the Debtor on November 16, 2022?

4 MR. LEFKOWITZ: Sitting here today I don't know. I
5 would have to go back to the records, and this is a summary,
6 this is not a detailed report, but from the summary I cannot
7 tell. I can go ahead and investigate and come back to you and
8 let you know how it was made.

9 MS. RIFKIN: Which records -- where are the records
10 located that you would need to review?

11 MR. LEFKOWITZ: They're all electronic records.

12 MS. RIFKIN: And so are you testifying that the
13 payments listed in Attachment 3 on the schedule of financial
14 affairs represent payments made not only by the Debtor but by,
15 potentially by third parties on the Debtor's behalf?

16 MR. LEFKOWITZ: Correct.

17 MS. RIFKIN: And what third parties made payments
18 that would be encompassed in these -- in this schedule?

19 MR. LEFKOWITZ: [Indiscernible] --

20 MS. RIFKIN: Even if you don't remember specific --
21 uh-huh.

22 MR. LEFKOWITZ: What does uh-huh mean?

23 MS. RIFKIN: Anyone else?

24 MR. LEFKOWITZ: Geneva Consulting made third party
25 payments for the Debtor.

1 MS. RIFKIN: Did anybody else make third party
2 payments on behalf of the Debtor that's reflected?

3 MR. LEFKOWITZ: Yeah, there could have been law
4 firms through escrow accounts.

5 MS. RIFKIN: Who was responsible for reviewing the
6 records of all payments made within 90 days before filing this
7 case to prepare the schedules?

8 MR. LEFKOWITZ: I did.

9 MR. JIMENEZ: Ms. Rifkin --

10 MS. RIFKIN: And do you remember if you looked --
11 yes?

12 MR. JIMENEZ: This is Andrew Jimenez. Please start
13 to wrap it up if you want to leave some time for Ms. Heard to
14 ask questions. It's 4:10 p.m. and we still have other
15 creditors waiting to ask questions.

16 MS. RIFKIN: All right. Mr. Lefkowitz, did Scott
17 King provide legal services to Corizon, LLC in October 2022?

18 MR. LEFKOWITZ: No.

19 MS. RIFKIN: Did Scott King provide legal services
20 to Tehum in October 2022?

21 MR. LEFKOWITZ: No.

22 MS. RIFKIN: Did Scott King provide legal counsel
23 for the Debtor from October 2022 to January 2023?

24 MR. LEFKOWITZ: No.

25 MS. RIFKIN: Did the Debtor provide notice to its

1 attorneys in the Edmo lawsuit of the divisional merger that
2 had taken place on May 5, 2022?

3 MR. LEFKOWITZ: I don't know what the attorneys did.

4 MS. RIFKIN: You were, as you said, the sole
5 director for the Debtor on May 5, 2022. Correct?

6 MR. LEFKOWITZ: Correct.

7 MS. RIFKIN: Did you direct anyone to provide notice
8 to the lawyers in the Edmo case that we talked about of the
9 divisional merger or the change -- entity change to Tehum any
10 time between May 5, 2022 and December 31, 2022?

11 MR. LEFKOWITZ: I don't recall.

12 MS. RIFKIN: Those are my questions. Thank you.
13 I'll turn it over to my colleague.

14 MR. JIMENEZ: Thank you, Ms. Rifkin.

15 MS. HEARD: Thank you, Ms. Rifkin.

16 Sorry, this is Mary Elizabeth Heard. I am here on
17 behalf of Adree Edmo. Mr. Lefkowitz, earlier you testified
18 that accounts were zeroed out in January of 2023. Which
19 accounts were zeroed out?

20 MR. LEFKOWITZ: Those were accounts in Signature
21 Bank.

22 MS. HEARD: Okay. So bank accounts.

23 MR. LEFKOWITZ: Correct.

24 MS. HEARD: And what do -- okay, and what do you
25 mean by zeroed out?

1 MR. LEFKOWITZ: The accounts were closed.

2 MS. HEARD: All right. I was under the impression
3 that you testified earlier that those accounts were still
4 open.

5 MR. LEFKOWITZ: Right, that's because when we zeroed
6 out the accounts, we thought the accounts closed. But
7 apparently the accounts are still open and has a zero balance
8 in them.

9 MS. HEARD: Okay. So let me say this another way.
10 So you drew down the balance to zero. Is that correct?

11 MR. LEFKOWITZ: I don't know if I drew down or it
12 got drawn down, it became zero balance.

13 MS. HEARD: Well, you're the sole director of the
14 Debtor and are you the only one with access to the account?

15 MR. LEFKOWITZ: Right. But if the account has \$25
16 and the bank charges a \$25 fee and it turns it into zero, it
17 wasn't me that zeroed out, it was the bank that zeroed out.
18 So the accounts got to zero balance and earlier was thought
19 the accounts were closed. Actually the bank is even closed,
20 there's no longer -- the bank don't even exist. But
21 apparently the FDIC took it over the account is practically --
22 technically the account number is still open and it has a zero
23 balance in the account.

24 MS. HEARD: Yes, I understand the concept of
25 receivership. I'm just trying to say -- trying to clarify

1 when you say zero out did you take money out of those accounts
2 and direct it somewhere else?

3 MR. LEFKOWITZ: No.

4 MS. HEARD: All right. So your testimony as you sit
5 here today is that the bank had certain charges and that is
6 what caused the bank account o go down to zero in January of
7 2023?

8 MR. LEFKOWITZ: No, I didn't say that, I said
9 zeroing out, not necessarily mean that I personally zeroed it
10 out. The account was diluted down, no longer deposits went
11 in, payments went out in ordinary course of business and
12 automatically the account became dormant. We thought earlier
13 that dormant means the account was closed. Apparently the
14 account is not closed but dormant.

15 MS. HEARD: I understand that the account is
16 basically empty and has no funds going in and out at this
17 point. My question relates as to January of 2023, and you're
18 telling me as you sit here today that you did not draw down
19 those funds that ere in the account at that time to zero, i.e.
20 zero it out?

21 MR. LEFKOWITZ: Correct.

22 MR. KAUFMAN: I'm sorry, this is Aaron Kaufman.
23 We're -- I feel like we're just asking the same question. Let
24 me see if I can help.

25 MS. HEARD: [Indiscernible] really we can talk

1 later, but I'm here to get testimony of the Debtor under oath
2 please. Thank you.

3 MR. KAUFMAN: Oh, I get it, and he's giving it to
4 you, and what I'm trying to direct you to are the SOFAs that
5 list the transfers out so --

6 MS. HEARD: And I studied them very closely. Thank
7 you, Mr. Kaufman. Okay.

8 MR. KAUFMAN: Good.

9 MS. HEARD: I'll move on. So I want to look -- take
10 a look at Docket 482, Page 22, and I'll give you a second to
11 look at it.

12 MR. LEFKOWITZ: Yeah.

13 MS. HEARD: So in that -- in the SOFAs, I believe
14 this is the SOFA, yeah, it says, List any transfers of money
15 or other property by sale, anyway would you read it, made by
16 the Debtor or a person acting on behalf of the Debtor. It
17 sounds like maybe you need to amend this because right now it
18 says none and is that something you're planning on amending?

19 MR. LEFKOWITZ: I don't think so, but if we need to
20 amend it as, you know, information comes in, we'll amend it.
21 But I don't believe it needs to be amended.

22 MS. HEARD: Well, I mean your lawyer came in and
23 reminded us just a moment ago that third parties made some
24 payments on behalf of the Debtor. And you just told me that
25 the account went down to zero. You're the only one who

1 controls that account, so I'm just giving you an opportunity
2 to perhaps go back and amend that.

3 MR. KAUFMAN: All right. Let's move on, I think he
4 answered your question.

5 MS. HEARD: Mr. Kaufman, again, I am here just like
6 everyone else to get sworn testimony from the Debtor and I
7 don't believe he has answered my question. I think you were
8 just trying to move things along for your own reasons.

9 MR. LEFKOWITZ: I can answer your question. I
10 believe the SOFAs are 100 percent accurate and I believe my
11 testimony is 100 percent accurate. You may be confused with
12 information and I don't blame you because you hadn't lived
13 through this process, but if we need to amend something, we'll
14 absolutely amend. But [indiscernible] today the SOFAs are
15 100 percent accurate and my testimony is 100 percent accurate.
16 If you find some --

17 MS. HEARD: Okay.

18 MR. LEFKOWITZ: -- inconsistency, you can ask again
19 and we'll clarify both under oath and offline.

20 MS. HEARD: All right. I really appreciate that.
21 Okay. So were any transfers made on behalf of the Debtor by
22 Perigrove?

23 MR. LEFKOWITZ: No.

24 MS. HEARD: Were any transfers made on behalf of the
25 Debtor by Geneva?

1 MR. LEFKOWITZ: Yes.

2 MS. HEARD: All right. What transfers were made on
3 behalf of the Debtor by Geneva, please?

4 MR. LEFKOWITZ: To trade creditors and liabilities.

5 MS. HEARD: Okay. So trade creditors and
6 liabilities. What do you mean by liabilities?

7 MR. LEFKOWITZ: Like your client, considered a
8 liability, PLI.

9 MS. HEARD: Oh, have you made a payment to my client
10 that I've missed?

11 MR. LEFKOWITZ: No, no, I said -- you asked me what
12 means liability so I responded that your client is not a trade
13 creditor, is considered a liability.

14 MS. HEARD: All right. So you're saying any
15 liability associated with litigation.

16 MR. LEFKOWITZ: Correct. Or claims.

17 MS. HEARD: What is a claim?

18 MR. LEFKOWITZ: Claim means prior to litigation.

19 MS. HEARD: Okay. But that's still like, you know,
20 a litigation claim just not a lawsuit hadn't been filed. Is
21 that what you mean?

22 MR. LEFKOWITZ: You can interpret it whichever way
23 you want. A claim is a claim and litigation is litigation.

24 MS. HEARD: But I don't want to interpret it, I want
25 you to tell me what the word claim means to you.

1 MR. LEFKOWITZ: No, I'm telling you a claim is not
2 litigation, litigation is not a claim.

3 MS. HEARD: Okay. Did Sigma make any transfers on
4 behalf of the Debtor?

5 MR. LEFKOWITZ: No.

6 MS. HEARD: So when the Debtor pays \$150,000 a month
7 to Sigma Risk Management, LLC, how is that money allocated?

8 MR. LEFKOWITZ: To Sigma for their services,
9 contracted services. It's a group of 12 lawyers with PLI
10 experience with software and subscriptions and all kinds of
11 tools that they use to manage PLI liabilities and to deal with
12 insurance carriers. It's a monthly fee for these group of 12
13 lawyers.

14 MS. HEARD: Okay. And Sigma does this PLI claims
15 handling for the Debtor and YesCare. Correct?

16 MR. LEFKOWITZ: Under different contracts, different
17 agreements.

18 MS. HEARD: Oh, sure, but I'm just saying that
19 they -- both YesCare and the Debtor are [indiscernible] Risk
20 Management, LLC. Correct?

21 MR. LEFKOWITZ: Correct. Correct.

22 MS. HEARD: Okay. Did Pensa [phonetic] Partners
23 make any transfers on behalf of the Debtor?

24 MR. LEFKOWITZ: No.

25 MS. HEARD: Did Veritas Intermediate make any

1 transfers on behalf of the Debtor?

2 MR. LEFKOWITZ: Veritas Intermediate is merged into
3 the Debtor, so it's the same as the Debtor.

4 MS. HEARD: All right. So I'm sorry, the other
5 Veritas entity.

6 MR. LEFKOWITZ: I don't know what other means.

7 MR. KAUFMAN: You mean Pelitoss [phonetic]?

8 MS. HEARD: I'm sorry, Pelitoss is what I meant to
9 say.

10 MR. LEFKOWITZ: No.

11 MS. HEARD: Has YesCare made any transfers on behalf
12 of the Debtor?

13 MR. LEFKOWITZ: No.

14 MS. HEARD: Did M2LoanCo make any transfers on
15 behalf of the Debtor?

16 MR. LEFKOWITZ: Yes.

17 MS. HEARD: Okay. And ballpark approximately how
18 much money?

19 MR. LEFKOWITZ: Over \$30 million.

20 MS. HEARD: All right. Has Joel Landau [phonetic]
21 made any transfers on behalf of the Debtor?

22 MR. LEFKOWITZ: Not associated with the Debtor.

23 MS. HEARD: So your answer is no.

24 MR. LEFKOWITZ: Correct.

25 MS. HEARD: Okay. Has David Harrington made any

1 transfers on behalf of the Debtor?

2 MR. LEFKOWITZ: Not associated with the Debtor and
3 the answer's no.

4 MS. HEARD: Okay. Does Corizon have any connection
5 to Genesis Healthcare?

6 MR. LEFKOWITZ: Does Corizon have any -- not
7 directly to Corizon, no.

8 MS. HEARD: Okay. Does it have any connection
9 indirectly?

10 MR. LEFKOWITZ: Yes.

11 MS. HEARD: Could you please explain?

12 MR. LEFKOWITZ: There may be a stockholder of the
13 parent company.

14 MS. HEARD: Who is the stockholder of which company?

15 MR. LEFKOWITZ: When you identify the company I'll
16 tell you which stockholder is who.

17 MS. HEARD: Okay. I'm just following up on your
18 answer there, and I believe you said there may be a
19 stockholder in the company, so could you please tell me what
20 you mean by stockholder?

21 MR. LEFKOWITZ: I said it's possible, I'm not 100
22 percent certain that Genesis has some principal interest in
23 the parent company.

24 MS. HEARD: And what is the parent company?

25 MR. LEFKOWITZ: Perigrove 1018, LLC.

1 MS. HEARD: And Perigrove 1018C (sic) is the parent
2 company of what?

3 MR. LEFKOWITZ: M2HoldCo.

4 MS. HEARD: All right. So did Perigrove 1018, LLC
5 buy M2HoldCo in December of 2021?

6 MR. LEFKOWITZ: Correct.

7 MS. HEARD: And how much did Perigrove pay?

8 MR. LEFKOWITZ: I don't have that information in
9 front of me.

10 MS. HEARD: Okay. Who would have that information?

11 MR. LEFKOWITZ: Counsel.

12 MS. WEBB: Ms. Heard, I think we're getting a little
13 far afield of the Debtor's assets and liabilities.

14 MS. HEARD: Well, the problem is, and I respect that
15 you're saying that, but the problem is there are so many
16 ownership sort of layovers through all of this, that it's a
17 very complicated web and we're just trying to get some
18 answers. But I will move on.

19 All right. So I'd like to take a look at Docket
20 552, Page 2 of 12.

21 MR. JIMENEZ: Ms. Heard, this is Andrew Jimenez.
22 It's 4:25, I want to be mindful that there are at least 3
23 other creditors waiting to ask questions. So please start to
24 wrap it up in the next 5 minutes.

25 MS. HEARD: I understand. This is really -- very

1 few questions left.

2 MR. JIMENEZ: Thank you.

3 MS. HEARD: All right. [Indiscernible]. Sure, I
4 understand.

5 I think this is the same one that Mr. Early asked
6 questions about. [Indiscernible] Page 2 of 12.

7 MR. LEFKOWITZ: Uh-huh.

8 MS. HEARD: Were there -- okay. Great. So I'm
9 looking at letter M, pre-petition unsecured debt,
10 approximately 176 million. Is that correct, Mr. Lefkowitz?

11 MR. LEFKOWITZ: Correct.

12 MS. HEARD: All right. I'm going to turn now to
13 Docket 481, Page 14.

14 MS. WEBB: Give us a minute.

15 MS. HEARD: Sure. Absolutely.

16 MS. WEBB: Page 14?

17 MS. HEARD: 481 [indiscernible].

18 MS. WEBB: We're there.

19 MS. HEARD: All right. So I'm looking at Line 3B,
20 total amount of non-priority -- and you have no priority
21 unsecured claims, so I'm just skipping to 3B, 82 million, what
22 account would be more than doubling of the pre-petition
23 unsecured debt from the 28th of April to the 12th of May?

24 MS. WEBB: Ms. Heard, I'm going to ask Mr. Perry to
25 answer that because I believe it's a technical accounting

1 question with a presentation.

2 Mr. Perry, can you answer?

3 UNIDENTIFIED SPEAKER: He did. He did.

4 MS. HEARD: Could I ask Mr. [indiscernible] first,
5 please?

6 MS. WEBB: I mean if he doesn't --

7 MR. PERRY: Well, here's the problem, here's the
8 issue -- this is Russell Perry -- I prepared --

9 MS. HEARD: Okay.

10 MR. PERRY: -- the MOR, I signed the MOR, you're
11 asking about a number in the MOR. So I'm happy to address the
12 number in the MOR and then you can continue to aks -- you can
13 continue to ask your question. But if you're asking about the
14 question in the MOR, I can answer that.

15 MS. HEARD: Sure.

16 MR. PERRY: [Indiscernible] myself prepared the MOR.

17 MS. HEARD: Okay. Okay. I understand that. But I
18 mean we have the sole director of the Debtor here so I'm
19 assuming he approved it.

20 MS. WEBB: Mr. Perry signed the MOR.

21 MR. PERRY: It was a monthly operating report signed
22 by myself. He reviewed it, but he didn't need to approve it.
23 So I'm happy --

24 MS. HEARD: Okay.

25 MR. PERRY: -- to address the 176 million if you'd

1 like.

2 MS. HEARD: Sure. Why don't you tell me what the
3 176 million of pre-petition unsecured debt includes.

4 MR. PERRY: Sure. It's just a simple balance sheet
5 estimate for the Debtor's various liabilities across all --
6 various categories that we've discussed including trading
7 claims, trade creditors, other claims, personal liability
8 claims, special liability claims, all the various things that
9 we've discussed that make up the liabilities. It's a balance
10 sheet estimate and a balance sheet accrual for the Debtor's
11 books and records. It is not meant to be a creditor-by-
12 creditor, claim-by-claim build up. It's simply an accrual
13 based financial statement of liability.

14 The Debtor's schedules go claim-by-claim, liability-
15 by-liability and to the extent that there's an inability to
16 identify a value distinct from the Debtor's balance sheet
17 accrual liability it'll be undetermined in the schedules. The
18 delta will be anything that's in the unsecureds, list of
19 unsecured claims that have undetermined, the Debtor's accrual
20 books and records and the financial statements may assign a
21 value to that claim, but the schedules do not. That --

22 MS. HEARD: Okay.

23 MR. PERRY: It's simply accounting.

24 MS. HEARD: [Indiscernible]. Okay. It's very
25 helpful. So my understanding from what you've said, and

1 please correct me if I'm wrong, is that there are -- well,
2 let's see, approximately, what, 90,000 -- or, well, let's just
3 say approximately twice the amount of identified claims are in
4 claims for which you have not yet assigned a number in the
5 schedules. Is that -- probably not the best way of saying it.
6 Maybe let me --

7 MR. PERRY: Yeah, you just used 90,000. Were you
8 talking about 90 million?

9 MS. HEARD: Okay. I'm going to [indiscernible]
10 million.

11 MR. PERRY: Okay.

12 MS. HEARD: So there's 82 million that is
13 articulated for lack of a better word in the Docket 481 in the
14 schedules. Right? And the difference between the 82 million
15 here and the 176 million in the MOR is what, sir?

16 MR. PERRY: Yeah, again, it's liabilities and other
17 claims that the Debtor's schedules do not assign a value to.
18 Okay. So for example if you were to go line-by-line in the
19 Debtor's Schedule F, what you'll see in many of the
20 professional liability claims is a value of undetermined. And
21 the reason for that is on the Debtor's balance sheet there may
22 be reserves or accrual related, accounting related values
23 assigned to certain claims. But it does schedule almost the
24 value [indiscernible].

25 Okay. So any type of value for a potential claim.

1 But an actuarial report or a reserve were prepared by an
2 actuary or an accounting firm and they assign a value for
3 balance sheet debt purposes. Okay. So one is a GAAP
4 financial statement or at least the values by which the
5 balance sheet was created at one point in time was prepared
6 for GAAP. The schedules will not assign a value to those
7 professional liability claims unless there -- you know, had
8 reached some sort of [indiscernible] that would allow for them
9 to be liquidated.

10 So the delta that you're asking about, that
11 90 million, will be what's called actuarial related reserves
12 to each one of those PLIs will probably make up 90 percent is
13 my guess of the difference, and in Schedule F you'll see the
14 word undetermined next to many of those. And that really does
15 explain the difference.

16 MS. HEARD: No, and I understand that. What I'm
17 trying to get at here is that, and I understand that a lot of
18 claims including our -- my client's claim has been designated
19 as unliquidated, disputed, and undetermined at this point.
20 But, and let me ask my question now, does the 176 million in
21 pre-petition unsecured debt include potential amounts
22 estimated for fraudulent transfer claims?

23 UNIDENTIFIED SPEAKER: [Indiscernible].

24 MR. PERRY: No. I wouldn't think so, no. This is
25 exactly the way I described it a second ago. The Debtor's

1 balance sheet wouldn't likely have valued the type of claims
2 that I referred.

3 MS. HEARD: All right. I have no further questions.
4 Thank you.

5 MR. JIMENEZ: Thank you.

6 MR. KAUFMAN: Mr. Jimenez, how much longer do you
7 think we're going to do this today? Ms. Webb and I need to
8 probably get into an Uber in about 30 or 45 minutes to make
9 our flight.

10 MR. JIMENEZ: Okay. I'll keep that in mind.
11 Hopefully we can -- we can wrap it up by then. I just want to
12 give everyone that showed up today an opportunity to ask
13 questions. So --

14 MR. KAUFMAN: Okay.

15 MR. JIMENEZ: -- Mr. Connor, I don't want to
16 mispronounce your last name, I think I got it wrong, you're
17 representing a group of doctors from Michigan?

18 MR. McLAUGHLIN: Yes, thank you, Mr. Jimenez.
19 Connor McLaughlin for Dr. Bomber and other Michigan providers.
20 I don't have any questions.

21 MR. JIMENEZ: Thank you.

22 Christian Gluck for M2Loan Company.

23 MR. GLUCK: No questions.

24 MR. JIMENEZ: Is there anyone on the call that I
25 have not given an opportunity yet to ask questions of the

1 Debtor?

2 MR. CROSS: I would like to ask questions of the
3 Debtor. This is Ian Cross, I represent Kohchise Jackson and
4 William Kelly.

5 MR. JIMENEZ: Yes. Could you please repeat your
6 name?

7 MR. CROSS: Ian Cross.

8 MR. JIMENEZ: Go ahead.

9 MR. CROSS: Mr. Lefkowitz, you I believe previously
10 testified you're a director of YesCare. Do you mean YesCare
11 Holdings, LLC or YesCare Corp?

12 MR. LEFKOWITZ: YesCare Corp.

13 MR. CROSS: Do you know who the members of YesCare
14 Holdings, LLC are?

15 MR. LEFKOWITZ: No.

16 MR. CROSS: Who are the other directors of YesCare
17 Corp?

18 MS. WEBB: I think -- excuse me, Mr. Cross, we're
19 here for Tehum Care. If you have questions about YesCare,
20 YesCare has [indiscernible] counsel. I think you can properly
21 address those questions to YesCare's counsel.

22 MR. CROSS: All right. I'll move on. Mr.
23 Lefkowitz, are you a director of Sigma Risk Management?

24 MR. LEFKOWITZ: No.

25 MR. CROSS: You are not.

1 MR. LEFKOWITZ: Correct.

2 MR. KAUFMAN: Sigma. That's it.

3 MR. CROSS: Did you organize --

4 MR. LEFKOWITZ: Oh, sorry. I'm sorry, I'm sorry,
5 I'm taking it back. I am a director. I thought you meant
6 Sigma Contracting that he mentioned before. Sigma Risk
7 Management I am a director.

8 MR. CROSS: Okay. What state is Sigma Risk
9 Management organized in?

10 MR. LEFKOWITZ: I believe in New York.

11 MR. CROSS: Did you organize Sigma Risk Management?

12 MR. LEFKOWITZ: Yes.

13 MR. CROSS: Is the name of the entity Sigma RM, LLC?

14 MR. LEFKOWITZ: Correct.

15 MR. CROSS: I want to direct your attention to I
16 think Document 481 -- oh, I'm sorry, 482, Page 35 of 53. Do
17 you see the line there, it lists the address of Sigma Risk
18 Management at 1528 56th Street in Brooklyn, New York?

19 MR. LEFKOWITZ: Correct.

20 MR. CROSS: Have you ever been to that address?

21 MR. LEFKOWITZ: Yes.

22 MR. CROSS: What's there?

23 MR. LEFKOWITZ: An office.

24 MR. CROSS: Is that your office?

25 MR. LEFKOWITZ: No.

1 MR. CROSS: Whose office is it?

2 MR. LEFKOWITZ: Sigma.

3 MR. CROSS: I believe you testified the owners of
4 Sigma were 12 lawyers. Do you know their names?

5 MR. LEFKOWITZ: Not all of them, some of them, yeah.

6 MR. CROSS: What are the ones you remember?

7 MR. LEFKOWITZ: Jennifer Finger, Steve Brown, Brit
8 Hannen [phonetic], Christian Gilder [phonetic], I don't recall
9 the others.

10 MR. CROSS: Were any of those individuals previously
11 officers of the Debtor?

12 MR. LEFKOWITZ: No. Maybe Jennifer Finger was
13 but -- I'm not sure if Jennifer Finger was but Jennifer Finger
14 left the Debtor and she joined the group and this group owns
15 Sigma RM today.

16 MR. CROSS: Why did you organize Sigma RM?

17 MR. LEFKOWITZ: For the very same purposes, to hand
18 it over to these lawyers to manage [indiscernible] in the
19 Debtor's affairs.

20 MR. CROSS: Well, all of the PI cases against the
21 Debtor are stayed. Correct?

22 MR. LEFKOWITZ: No.

23 MR. KAUFMAN: And of the Debtor, yes.

24 MR. CROSS: What PI cases --

25 MR. JIMENEZ: So I'm sorry --

1 MR. CROSS: -- are not going to get --

2 MR. JIMENEZ: -- I'm sorry, before you continue on
3 the Record I'm picking up somebody is like whispering
4 something to witness. I will ask you to --

5 MR. KAUFMAN: Sorry, that was -- sorry, Aaron
6 Kaufman, I was trying to clarify I guess the Debtor.

7 MR. JIMENEZ: Okay. So --

8 MR. KAUFMAN: Just making sure Mr. Lefkowitz heard
9 the question.

10 MR. JIMENEZ: So Mr. Lefkowitz is the witness.
11 Please don't coach or instruct in any way how to answer the
12 questions, please.

13 Please continue.

14 MR. KAUFMAN: Understood.

15 MR. CROSS: Well, what PI cases against the Debtor
16 are not stayed?

17 MR. LEFKOWITZ: I guess not at the Debtor but
18 against individual former employees of the Debtor are not
19 stayed.

20 MR. CROSS: Is the Debtor liable for claims against
21 individual former employees?

22 MR. KAUFMAN: That's a legal question, Mr. Cross.

23 MR. CROSS: Your objection is noted.

24 MR. KAUFMAN: He can't answer about legal questions.
25 He's not a lawyer.

1 MR. CROSS: Mr. Lefkowitz, did you organize an
2 entity called Corizon Services, LLC in New York in December of
3 2021?

4 MR. LEFKOWITZ: Yes.

5 MR. CROSS: Why did you organize that entity?

6 MR. LEFKOWITZ: I don't remember, but it's a dormant
7 entity.

8 MR. CROSS: What is its relationship to the Debtor,
9 if any?

10 MR. LEFKOWITZ: There's not.

11 MR. CROSS: So if all the PI cases against the
12 Debtor are -- oh, I'm sorry. Why did Corizon Health change
13 its name to Tehum Care Services?

14 MR. LEFKOWITZ: I don't know.

15 MR. CROSS: Who made the decision to change the
16 name?

17 MR. LEFKOWITZ: I did.

18 MR. CROSS: And you don't know why you decided to do
19 that?

20 MR. LEFKOWITZ: Correct.

21 MR. CROSS: What [indiscernible]?

22 MR. LEFKOWITZ: I don't know.

23 MR. CROSS: Is the Debtor's ultimate parent current
24 Perigrove 1018, LLC?

25 MR. LEFKOWITZ: Correct.

1 MR. CROSS: And you -- what is your -- do you have
2 an ownership interest in Perigrove 1018, LLC?

3 MR. LEFKOWITZ: Yes.

4 MR. CROSS: How did you obtain that ownership
5 interest?

6 MR. LEFKOWITZ: I was part of the group that formed
7 it.

8 MR. CROSS: Who else was in that group?

9 MR. LEFKOWITZ: A large group of investors.

10 MR. CROSS: Well, tell me all the ones you can
11 remember.

12 MR. KAUFMAN: Mr. Cross, let's stick to how this
13 relates to the Debtor's financial condition.

14 MR. CROSS: Oh, it relates to the Debtor's potential
15 causes of action, it's assets.

16 MR. KAUFMAN: Oh. Can you focus your question,
17 that's too broad a question.

18 MR. CROSS: Why did -- okay. I have no further
19 questions.

20 MR. JIMENEZ: Is anyone else on the call that have
21 not yet had the opportunity to ask questions to the Debtor?

22 (No audible response.)

23 MR. JIMENEZ: Okay. So the Debtor has announced
24 that it needs to make amendments to the schedules. For that
25 reason I will continue this meeting of creditors. How much

1 time do you need to make the amendments?

2 MR. KAUFMAN: Ms. Webb and I are convening by eye
3 contact. We don't really know.

4 MS. WEBB: I'm not sure.

5 MR. PERRY: It's Russell Perry. I think we'll
6 need --

7 MR. KAUFMAN: [Indiscernible] --

8 MR. PERRY: -- likely --

9 MR. KAUFMAN: -- just, Mr. Jimenez, just so you're
10 clear, Mr. Perry has had to leave our room, he's in a car and
11 not with us. So we can't confer right now.

12 But go ahead, Mr. Perry --

13 MR. PERRY: Yeah.

14 MR. KAUFMAN: -- if you have an idea.

15 MR. PERRY: No, I think we'll need a few days to
16 work with counsel and --

17 MR. JIMENEZ: Okay.

18 MR. PERRY: -- Mr. Lefkowitz, so I would suggest
19 that we circle back and provide you with a firm date --

20 MR. JIMENEZ: Well --

21 MR. PERRY: -- early next week.

22 MR. JIMENEZ: -- I need a date today to reschedule,
23 so I was looking at June 2 to reschedule the meeting of
24 creditors. It could be in the morning or in the afternoon. I
25 just want to make sure that that will give you enough time to

1 file the amendments.

2 MR. KAUFMAN: You said what date, June 2?

3 MR. JIMENEZ: June 2. Correct, 3 weeks from now.

4 MR. KAUFMAN: So that would --

5 MR. PERRY: Yeah, here's the issue, so it would
6 likely give us enough time. Unfortunately I am personally
7 traveling with my family that day. So --

8 MR. JIMENEZ: Okay.

9 MR. PERRY: -- can we choose another date?

10 MR. JIMENEZ: So the --

11 MR. PERRY: Would the following Monday or Tuesday
12 work?

13 MR. JIMENEZ: Yes, who is this speaking?

14 MR. PERRY: Sorry, it's Russell Perry again.

15 MR. JIMENEZ: Okay. So, yes, let's find a date on
16 the following week -- the following week.

17 MR. PERRY: Yes, so June --

18 MR. JIMENEZ: Does June --

19 MR. PERRY: -- 9 is available.

20 MR. JIMENEZ: Okay. I was going to suggest June 6,
21 is that available?

22 MR. KAUFMAN: June 6. No conflicts from Debtor's
23 counsel.

24 Mr. Perry, will you be back in town?

25 MR. PERRY: I'll be back, yeah.

1 MR. JIMENEZ: Okay. So June 6 at 1:00 p.m. Central
2 Standard Time. Does that work?

3 MR. PERRY: It works for me.

4 MS. WEBB: I just want to bring this up, I don't
5 know if anyone is going to -- we have a large bankruptcy
6 [indiscernible] that day, just letting you know. But in case
7 anyone didn't have it in their calendar, but I'll let him go
8 ahead and schedule for the day he wants.

9 MR. KAUFMAN: Yeah, and it's on my calendar but I
10 assumed the continued 341 meeting would be quick based on the
11 amendments that we intend to make.

12 MS. WEBB: Yeah, I just wanted to remind everyone in
13 case it wasn't on their calendar for that day.

14 MR. JIMENEZ: Okay. So I understand. So let's do
15 June 6 -- June 9. That way everybody who's attending the
16 seminar --

17 MR. KAUFMAN: Gotcha.

18 MR. JIMENEZ: -- can do it without the distraction
19 of the 341.

20 MR. KAUFMAN: Well, we have a conflict I'm hearing
21 June 9. So let's -- I think we should stick with June 6.

22 MR. JIMENEZ: Didn't you say a moment ago that June
23 9 was available?

24 MR. KAUFMAN: Mr. Lefkowitz, if we need him present,
25 is not available on June 9.

1 MR. PERRY: Sorry, are we talking about the 9th or
2 the 6th?

3 MR. JIMENEZ: Well, so my question was about the
4 9th, if everybody was available on the 9th, because on the 6th
5 some of the attorneys have a conference. So you say the 9th
6 you're not available --

7 MR. LEFKOWITZ: So, Russell, you can --

8 MR. JIMENEZ: Go ahead.

9 MR. LEFKOWITZ: I'm not available, but Russell is.

10 MR. JIMENEZ: No, but you're -- you are the person
11 who signed the schedules and the SOFA.

12 MR. LEFKOWITZ: Right.

13 MR. JIMENEZ: So what about --

14 MR. KAUFMAN: Either we stick with June 6 or we go
15 to the week --

16 MR. LEFKOWITZ: So either we do it the 6th or we go
17 to the following week.

18 MR. JIMENEZ: What about the 8th?

19 MR. LEFKOWITZ: I'm traveling.

20 MR. JIMENEZ: And when will you be back?

21 MR. LEFKOWITZ: I'll be back after that weekend,
22 what is it -- I'll be back on the 12th.

23 MR. JIMENEZ: You'll be traveling on the 7th?

24 MR. LEFKOWITZ: Actually that whole week I'm going
25 to be out, from the 7th till the 12th.

1 MR. JIMENEZ: Okay. Okay. So let's -- it's --
2 either we do it the 6th or we move to the 12th or the 13th.
3 And I want to take everyone into consideration. We have other
4 attorneys not just Debtor's counsel participating. So a
5 quick, you know, a quick answer, do you want to move to 12th
6 or 13th?

7 MR. KAUFMAN: That's fine.

8 MR. JIMENEZ: Okay. Let's do June 13.

9 MR. KAUFMAN: Still 1:00 p.m. Central?

10 MR. JIMENEZ: Yes, 1:00 p.m. Central.

11 MR. KAUFMAN: Got it. All right. Anything else for
12 today?

13 MR. JIMENEZ: No, thank you all for your
14 appearances.

15 MR. PERRY: Thank you.

16 MR. KAUFMAN: Thank you.

17 (Hearing adjourned 10:36 a.m.)

18 * * * * *

19 *I certify that the foregoing is a correct transcript*
20 *to the best of my ability produced from the electronic sound*
21 *recording of the proceedings in the above-entitled matter.*

22 /S./ MARY D. HENRY

CERTIFIED BY THE AMERICAN ASSOCIATION OF
ELECTRONIC REPORTERS AND TRANSCRIBERS, CET**337
JUDICIAL TRANSCRIBERS OF TEXAS, LLC
JTT TRANSCRIPT #67356
DATE: JUNE 14, 2023